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**CHERYL ALLEYNE**

**THE IMPACT OF THE USE OF HR INTERNET  
APPLICATIONS ON MANAGERS' SATISFACTION WITH  
THE HR FUNCTION**

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## ABSTRACT

This thesis explores the impact of the use of Internet applications, provided by the Human Resource (HR) function as an internal supplier, on its internal customers' satisfaction at the managerial level with the HR function, using role theory to underpin the research. From a review of the literature on role, and the relevant fields of HR, internal marketing, and information and communication technology (ICT), a conceptual framework was developed. The study set out to fill a gap in knowledge and addresses the under-development in the HR field regarding HR's relationship with its customers, its use of technology to provide services, and the impact this has on customer satisfaction with the HR function. An exploratory theory building research methodology was adopted.

The study follows a realist approach to social enquiry. Seeking to explain internal customer satisfaction, it is necessary to understand perspectives and social relationships between the key actors involved as customers and suppliers of HR Internet services. An exploratory case study was undertaken in a single organisation operating in the telecommunications industry. Sixty interviews, evenly divided between HR customers and HR suppliers, were conducted with middle/senior level managers. During the analysis phase the research sought out possible contrasts within the single case setting to highlight theoretical constructs. In addition, quantitative content analysis of the qualitative data was carried out to identify trends in data and to provide a more rounded understanding of the phenomena under investigation.

This research identifies three overarching factors from the data which appear to be important for improving the level of manager satisfaction with both the HR Internet application (HRIA) and the HR function. The first is the quality of HR leadership, followed by effective communication, and the management of expectations which encompass the relationship management process between HR and its internal customers. In addition, two groups of factors were identified as being important to the nature of participants' expectations and feelings of satisfaction. The first was found to influence expectations and included organisational context, current role, personal characteristics and experience, while the second group of factors could also be used by the HR leadership both to align HR customer and supplier expectations and to make them more realistic. A model illustrating the findings was developed, together with propositions for testing the model in later research.



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## GLOSSARY

APR/DPR	Annual (Development) Performance Review
BT	British Telecommunications plc
B2B	Business to Business (Internet services)
B2C	Business to Consumer (Internet services)
B2E	Business to Employee (Internet services)
CARE	Communications and Attitude Research for Employees
CBT	Computer Based Training
CIO	Chief Information Officer
CIPD	Chartered Institute of Personnel and Development
CMC	Computer Mediated Communication
CRM	Customer Relationship Management
CS	Customer Satisfaction
e-HR	Electronic Human Resources (using Internet technology)
e-pl	e-Peopleserve
ESI	Expectations/satisfaction/impact
FAQs	Frequently Asked Questions
GCIO	Group Chief Information Officer
HR	Human Resource
HRC	HR Customer = Manager
HRDS	Human Resource Development Service
HRIA	Human Resource Internet Application, such as HR intranet (in BT)
HRIS	Human Resource Information System
HRM	Human Resource Management
HRS	HR Supplier
*ICT	Information and Communication Technologies
ISP	Internal Service Provider
IP	Internet Protocol
IQ	Information Quality
IS	Information Systems
IT	Information Technology
Mgr	Manager
MIS	Management Information System
MRT	Media Richness Theory
PC	Personal Computer
QDA	Qualitative Data Analysis
Rep	Representative
RQ	Research Question
SHRM	Strategic Human Resource Management
SQ	Service Quality
TAM	Technology Acceptance Model
TQM	Total Quality Management
TRA	Theory of Reasoned Action
VP	Vice President

Please note: \* The acronym, ICT will be used throughout the thesis and includes the following terms – information technology, information systems, computer-mediated communications and information and communication technologies.



# **CHAPTER ONE: INTRODUCTION**

## **1.1 OVERVIEW**

This thesis explores the impact of the use of Human Resource (HR) Internet technology applications on managers' satisfaction with the HR function. The aim of this first chapter is to introduce the research topic and provide a summary of the format and development of the thesis. The rest of the chapter, following this overview, is divided into five sections. The first section introduces the focus and rationale for this research, and the second outlines the scope of the study and its aims. Section three presents the research questions together with the findings and issues identified in the pilot study which were highlighted for further exploration in the main study. The fourth section discloses the academic and practitioner contributions to knowledge, and the final section outlines the structure of the following chapters of this thesis.

## **1.2 RESEARCH RATIONALE**

In both the academic and practitioner literature, HR is perceived as an internal service providing function which has sought to establish itself on the organisational stage as a key contributor to the strategic development and performance of the organisation (Wright et al., 1994; Becker and Gerhart, 1996; Barney and Wright, 1998). At the same time, organisations' demands of the function have increased dramatically. These demands often seem to be contradictory, including as they do the requirement to be simultaneously strategic, flexible, efficient, cost effective and customer-oriented (Lepak and Snell, 1998).

There has also been an increasing recognition that HR, in addition, must improve and increase its internal customer orientation (Mabey et al., 1998; Bacon, 1999; Huselid and Becker, 1999) in order to respond and meet employees' changing expectations (Floyd and Lane, 2000). The principles of role theory underpinning the formation and outcomes of these expectations (Kahn et al. 1964; Katz and Kahn, 1978; Biddle, 1979; 1986; Fondas and Stewart, 1990; 1994) provide an effective foundation from which to explore the relationship between the HR function as an internal service provider, the customers it serves and the use of service technology. Interdisciplinary role theory has been extensively used in the field of marketing (Chenet et al., 1999; Webb, 2000) and also provides guidelines for more effective management of the human element involved in the construction and use of information and communication technologies (ICT) (Galleta and Heckman, 1990).

HR's internal customers for the purposes of this research comprise three different sets of role levels within organisations – strategic, managerial and operational (Currie and Proctor, 2001). Each has differing priorities and perspectives in both individual and group terms, resulting in the HR function and its requisite activities being pushed and pulled in many conflicting directions. Managers were chosen as the focus level of this research as they are both an integral part of HR theory and the lynchpin who 'mediate,



negotiate and interpret connections' between the strategic and operational levels within organisations (Floyd and Wooldridge, 1997: 466). Managers have found their own changing role to be caused in part by increased responsibility for activities previously carried out by the HR function (McGovern et al., 1997), and partially by an increasingly competitive and changing technological environment. Their expectations, and the needs of HR have changed, and the HR function has been advised in other studies to adopt new market-oriented attitudes and improve the quality and responsiveness of its service provision (Collins and Payne, 1994; Greer et al., 1999).

Extensive research has shown that internal service quality leads to internal customer satisfaction (at each level) and this, in turn, leads to important organisational benefits (Schneider and Bowen, 1993 and 1995; Loveman and Heskett, 1999). It is now also firmly established that technology will dominate the future of services (Baily and Balos, 1996; Harvey et al., 1997, Lewis, 2002). In addition, communication in organisations has become increasingly more complex, more intensive, and supported more frequently by information technology (Huber, 1990; Bruce, 1997). At the same time, advances in the sophistication and availability of information and communication technologies (ICT) have been gaining momentum. While research on the impact of ICT has provided often-contradictory organisational consequences and user satisfaction outcomes (Robey and Boudreau, 1999), there is agreement that its impact on changing the way we work is far-reaching. Indeed, ICT is one of the two contextual factors (the other being globalisation), posited to have the most profound effect on the HR function (Brockbank, 1997; Wright et al., 1999). Technology is accelerating the pace of work, and organisational and customer expectations of the speed of response have accordingly increased (Cooper, 1999). However, new products, structures and occupations are continually emerging (Tyson, 2002), and organisational members are also confronting more paradoxes, contradiction and ambiguity (Hatch, 1997), which, if not managed effectively, could negatively affect individual, departmental and organisational performance.

One of the most important ICT developments to impact upon organisations has been the commercial availability of Internet applications (Leiner et al., 1997; Greaves et al., 1999). Internet technology, which enables hundreds of thousands of individual computer networks all over the world to be linked, encompasses a range of capabilities that includes communication (e.g. e-mail, Usenet, LISTSERV, chatting, Telnet) and information retrieval (e.g. FTP, gophers and the World Wide Web (WWW or Web). (See **Appendix A** for Internet glossary). The Internet can also be accessed through WAPs such as mobile telephones, portable and palmtop computers, and specially adapted televisions. In addition, Internet and Web technology can be used to create an intranet, which is an internal internet designed to be used within the confines of a company or organisation; or an extension of this, called an extranet, where people and organisations outside the firm have limited access to the private intranet. All references in this thesis to Internet technology include intranet and extranet applications. With regard the scope of access to the Internet and Internet-based applications, this research is only considering access by individuals in the workplace or remotely, from home or elsewhere, for business purposes.



Internet technology has changed the rules of the game. There is no constraint on time, place or provider availability and the potential for customisation and flexibility allows managers to control the information and services they receive. Because of this, both academics and practitioners are assessing the changes required to incorporate these new methods of operating. The emerging literatures in virtual organisations and virtual HR attest to this increasing phenomenon. However, little is currently known, for instance, about the impact of network organisations on the HR function (Lepak and Snell, 1998) or corporate behaviour (Sparrow and Daniels, 1999). ICT has been recognised as a key contributor to all levels of HRM (Snell et al., 1995) although HR's predominant use of ICT has been for cost-cutting administrative purposes (Temple, 2001), with little recognition of possible innovative applications (Tansley et al., 2001). The success of the role that HR plays in an organisation however, will be dependent on the tools it uses (Huselid and Becker, 1999). Internet technology is one such tool, and enables HR to supply its services to its internal customers with a capability and degree of interaction not previously possible. Thus, advances in information and communication technologies, together with the changing role requirements of the function's internal customers, suggest that a re-evaluation of HR is timely (Straus et al., 1998).

From the combination of these factors, the focus of this study is of considerable importance to the HR field with its desire to demonstrate its organisational contribution. Consequently, this research seeks to investigate the impact that the use of HR Internet applications (HRIA) has on internal customer satisfaction, at the managerial level, with the HR function, using role theory as the theoretical lens. Being exploratory in its nature (Ogawa and Malen, 1991), this research primarily uses qualitative methods for data collection and analysis. A single case study is employed, based on a realist perspective of social science (discussed in Chapter Four) to analyse and explain the underlying mechanisms and social structures that are likely to determine the impact of the use of an HRIA tool on the users' satisfaction with the HRIA service providers.

### **1.3 RESEARCH SCOPE AND OBJECTIVES**

The relevance of this study is grounded in the increasingly competitive and technologically changing organisational environment where the HR function is required to clearly define, and prove, its value. Consequently, there has been much debate about HR's organisational role with no agreement as to whether it will be subsumed within the roles of line managers and the accounting and legal departments (Schuler, 1990; Flood, 1998), or established as a highly regarded strategic function (Kelly and Gennard, 1996). HR has also been criticised for lacking a customer-oriented approach to the users of its services (Yeung et al., 1994; Clark et al., 1998) at a time when internal customer satisfaction is increasingly identified as a key factor in improving organisational performance. In addition, the HR function continues to be a relative latecomer in exploiting the potential of ICT to help it achieve its organisational objectives (Dunivan, 1991; Martinsons, 1994; Temple, 2001). Research that looks at the impact of ICT is limited and tends to focus on those who work in HR (such as Kinnie and Arthurs, 1996; Elliott and Tevachulada, 1999), rather than on its internal customers; and no research has been located which considers internal user and provider expectations of the



provision of HRIA, and the effect that this has on customer satisfaction, at any level, with the HR function itself.

The literature review was conducted by critically appraising the four major and interlinking areas of knowledge relevant to this study, as listed below:

- a) role and expectations theory which underpins this research;
- b) internal marketing, service quality and customer satisfaction;
- c) information and communications technology and user satisfaction with ICT;
- d) Human Resource Management (HRM) theory and factors from a) to c) from the perspective of the HR function.

This review provides the evidence for the research gap into which this thesis fits and also for the supporting theoretical explanation of the conceptual framework. In addition, the literature assisted in the development of the primary research methods such as the interview guides (**Appendices F and G**) through the identification of key factors to be explored.

The Research Context Model (Figure 1.1) graphically illustrates the focus of this study (the darker area in the centre encompassing the factors influencing managers' satisfaction with HR Internet applications and the HR function) and the key related areas. The two central groups of participants (HR and managers) are likely to be influenced by the following factors identified from the literature review; their role, their expectations and the communication between managers and the HR function. The organisational context in which they are situated (in this case, BT is the case study location) and the wider external environment may also shape their level of satisfaction. Further influences to be considered are the nature of the provision of ICT by HR and its use by managers, together with HR's internal marketing strategy and activities relating to the HRIA and managers' awareness of this.

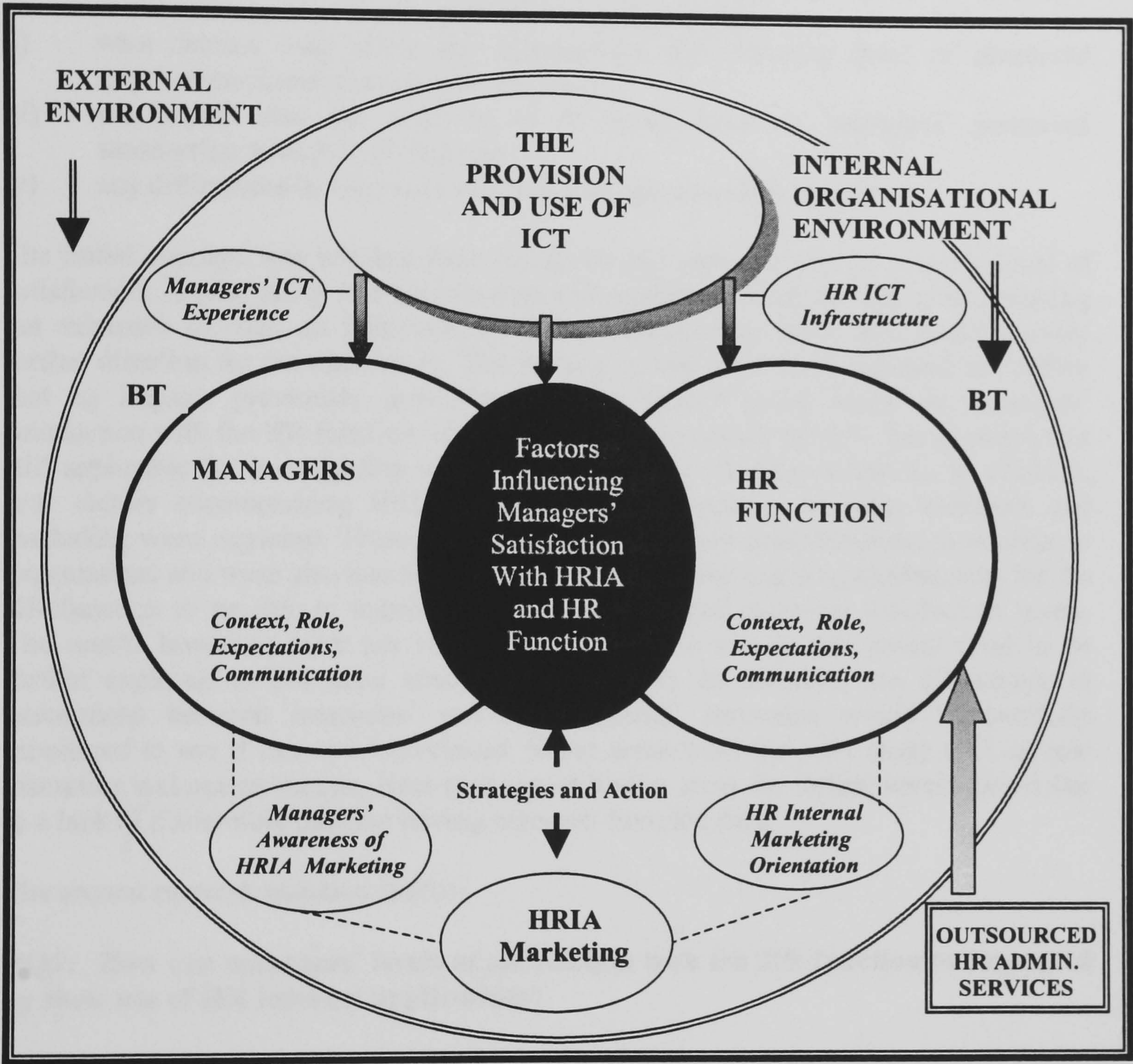
In summary, the aims of this research are to:

- a) explore and identify factors that influence managers' expectations and perceived satisfaction with the HRIA, and the impact this may have on consequential satisfaction with the HR function;
- b) investigate the nature, possible causes and implications of any differences of perception found between individuals and/or groups of individuals of the research population;
- c) explain the mechanisms and social structures that are related to the provision and use of HRIA services by providing an in-depth understanding of the relationships between the factors identified in a) and b) above;
- d) propose a model that enables academics and practitioners to understand the organisational requirements that may affect the expectations, use of and satisfaction with HR services provided through the medium of Internet technology and the HR function itself;



e) develop key propositions from the model for testing in further research.

Figure 1.1: Research Context Model



Source: Compiled by author

1.4 THE RESEARCH QUESTIONS

Given the objectives listed in 1.3 above, two research questions were identified. Because of the absence of relevant research into either the general impact of a support tool on users' satisfaction with the support tool provider, or specifically, the impact of the use of an ICT by HR on internal customer satisfaction with the HR function, and exploratory nature of this research, the first question is:



**RQ1: What is the impact of the use of HR Internet applications on managers' satisfaction with the HR function?**

The first research question examines:

- i) whether there is any impact on managers' satisfaction with the HR function as a result of using an Internet application supplied by HR;
- ii) what factors may affect the expectations and resulting level of perceived satisfaction/dissatisfaction with the HRIA;
- iii) the impact that the outcome of ii) might have on managers' perceived satisfaction with the HR function;
- iv) any differences in responses between managers and HR suppliers.

The initial concern was whether there would be any such bearing on a user's level of satisfaction. A pilot study (see Section 4.4) was carried out with the aim of ascertaining the existence of such an influence, as well as identifying issues that could provide further direction for the main study. The findings of the pilot study appeared to confirm that an impact, previously unrecognised, was indeed being made on managers' satisfaction with the HR function. However, with such a small sample, this question was still applicable for investigation within the main study (findings a and b). In addition, four factors encompassing HRIA involvement in planning, training, feedback and marketing were explored. These appeared to be important considerations in relation to expectations and were also identified as possibly providing enabling mechanisms for the HR function to be able to improve and maintain internal customer satisfaction levels. The results however, were not clear within the small sample and would need to be further explored in the main study (issues c to f). In addition, the differences in perceptions between managers' and HR suppliers' responses would be carefully monitored to see if this trend continued. Some areas from the pilot study such as role discretion and customisation, were also recognised as areas for further investigation due to a lack of discernible patterns having emerged from the data.

The second research question is thus:

**RQ2: How can managers' levels of satisfaction with the HR function be improved by their use of HR Internet applications?**

This research question seeks to explore:

- i) the actions that the HR function could be recommended to take to improve managers' perceived satisfaction with HR from their use of HRIA.
- ii) the actions that managers could be recommended to take in order to increase their perceived satisfaction with the HR function.

The six key preliminary findings and issues (a to f below) from the pilot study (twelve interviews – six HR suppliers and six managers who were HR customers) were thus identified for further examination in the main study:



a) *When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to feel satisfied with the HRIA.*

b) *When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to perceive that the HRIA have increased their satisfaction with the HR function.*

Findings a) and b) were investigated as part of RQ1, while issues c) to f) were explored as part of RQ2.

c) *Where HRIA training provision was perceived by managers to be satisfactory, they may be inclined to feel that their satisfaction with the HR function had increased.*

d) *Where customer involvement in the adoption/development of the HRIA was perceived by managers to be satisfactory, they may be inclined to feel that this had increased their satisfaction with the HR function.*

e) *Where the opportunities for customer feedback about the use of the HRIA and appropriate action taken was perceived by managers to be satisfactory, they may be inclined to feel that this had increased their satisfaction with the HR function.*

f) *Where the internal marketing of the HRIA was perceived by managers to be satisfactory, they may be inclined to feel that this has increased their satisfaction with the HR function.*

As an important part of assessing the validity of this research, the negative side of all of the above statements was also identified for further exploration.

## **1.5 THE CONTRIBUTION OF THIS RESEARCH**

This section summarises the research contribution, which is more fully described in Chapter Eight.

### **1.5.1 Academic Contribution**

#### **HR Field:**

This study contributes in several ways to theoretical and empirical HR knowledge.

Firstly, the research builds on the limited use of role theory within the HR field. It provides an up-to-date consideration of changing managerial and functional roles and the influence that this has on consequent role expectations. It also identifies the impact that a support tool such as HRIA can have on the achievement of these mutual expectations. The expectations by HR professionals of managers are compared with the expectations that managers, as internal customers of HR, have of the HR function. Thus, this research also contributes to the understanding of the implications and effects of role



expectations on specific aspects of the HR customer/supplier relationship, such as role ambiguity or internal communication relating to the provision of HR services using Internet technology, and how this can be most effectively optimised.

Secondly, there are as yet few academic empirical studies on the impact and use of Internet technology within organisations, and fewer still within the HR function. A valuable contribution of this research is the extension of HR theory on the impact that Internet technology, as a support tool and distribution channel for the provision of HR services, can make to the internal clients of the HR function, as well as the impact this may have on the HR function itself.

Thirdly, a contribution is made to the literature on HR leadership. This study has supported several previous findings concerning areas of HR weakness in its quality of leadership such as communication, alignment to business objectives, and internal customer focus. In addition, the research has identified the key aspects which HR leaders are recommended to consider in order to gain more value from the use of ICT for the delivery of HR services.

Finally, this study also provides a foundation which will assist future researchers in further theory building in the HR field, in the important areas of internal customer/user satisfaction that are already established in other fields, such as internal marketing and information technology. This foundation for further HR research includes an extensive literature review, audited empirical research, and the development of an HR/HRIA-specific model and propositions for testing.

### **Role Theory:**

While the focus of this work is context specific, the research contributes to the role theory literature in examining the impact of changing individual and functional roles in organisations. The research has identified factors which appear to influence and align expectations between each role set and outcomes between two organisational role constituencies.

### **Internal Marketing and ICT Fields:**

Furthermore, the focus of this research on internal customer/user satisfaction with the use of Internet applications and the impact that this has on the Internet application service provider makes a contribution to extending the theory and empirical body of knowledge of both the internal marketing and ICT fields. A foundation for further research in these areas is also provided with a general Internal Service Provider (ISP)/ICT model and propositions to test the findings of this study.

### **Methodology:**

In addition, the philosophical perspective adopted - realism - and the choice of a single case study, provide a philosophical and methodological contribution to existing HR and ICT research. Both of these methods have had only limited use by academic researchers.



### 1.5.2 Practitioner Contribution

For HR managers and directors, the study provides a profile within a single organisation – but which may have wider applicability - of the changing needs and expectations of their customers at the managerial level, giving insight into what they require from the HR function to perform their own roles more effectively. The research also presents a model illustrating the different factors to be considered in managing internal customer expectations, and provides recommendations as to how HR can successfully use the Internet as a support tool to increase the satisfaction of its internal customers, with both the tool and the HR function as a whole. In addition, the work identifies specific areas for HR skill development, as well as key activities that need to be improved as part of the process of refining its own role and position within the organisation.

## 1.6 THESIS STRUCTURE

The thesis is presented in eight chapters.

**Chapter One** introduces and explains the choice, and importance, of the research issue. A summary of the objectives, the supporting literature, methodology, research question, issues identified from the pilot study, and the contribution to knowledge are also briefly presented.

**Chapter Two** defines and critically reviews three of the key bodies of literature that inform this research: role and expectations theory; internal marketing, including internal service quality and customer satisfaction; and sections on ICT and Internet technology and user satisfaction. Each is presented from the organisational perspective and inter-relationships between the three are identified and assessed.

**Chapter Three** comprises the second part of the literature review and progresses from the organisational context to focus specifically on that of the HR function. Thus, the literature around the role of HR is reviewed at three levels – strategic, managerial and operational. As managers are the focus of this research, the literature on devolution, the expanding role of managers, and their changing expectations of HR, is analysed in more detail. The internal marketing orientation of HR is reviewed, together with service quality and customer satisfaction implications for the function. The third section examines the provision, use and effectiveness of ICT and Internet technology by HR. Chapter Three concludes by summarising the literature and identifying the research gap and research questions, followed by presentation of, and supporting evidence for, the conceptual framework.

**Chapter Four** describes the methodology employed in the research and the chosen philosophical perspective. The research strategy and research design are defended in the light of the research topic and research questions. In addition, the chosen data collection and analysis methods are explained, and the development and implementation of the pilot study, including its findings and learning points, are reported.



**Chapter Five** presents the context for the empirical primary research. The organisational background and current profile of British Telecom, as well as the outsourced HR Internet services provider, e-peopleserve, are outlined. Key information about the provision of the combination of outsourced and internal BT HR services using Internet technology is provided so that the reader has a better understanding of the organisational context which provides a backdrop for the findings detailed in the next chapter.

**Chapter Six** reports the findings from the main study and analyses them in the light of the literature on role theory, HRM, ICT, internal service quality and customer/user satisfaction. Initial implications are also noted. In addition, the major emerging factors that appear to overarch this case are identified and described. Both qualitative and simple quantitative methods, such as content analysis, are used so as to provide further analysis and explanation of connections between results.

**Chapter Seven** continues to discuss the findings together with linkages back to existing theory but this is framed around the proposed model, which has been developed from the original conceptual framework and analysis of the findings in the preceding chapter. The model and the associated propositions help to explain the factors which influence managers' expectations, and how both HR and managers may improve satisfaction with HRIA and the HR function. From this case specific discussion, the wider implications of this study are suggested and a qualitative realist evaluation of the research is also presented.

Finally, **Chapter Eight** presents the conclusions, practical implications, the contribution of the research to the existing body of knowledge, and the limitations of the study. Opportunities for further research are discussed, and a revised general model and propositions are suggested.

## **1.7 CHAPTER SUMMARY**

This chapter has introduced the research topic and briefly presented the rationale for this study, its aims and scope, the research questions as well as the contribution of this study to both academic and practitioner knowledge. The structure of this thesis is also outlined.

The second chapter, which follows this summary, is the first part of a two-chapter literature review. As the first section of the review, it critically examines the relevant literatures for this research from an over-arching organisational perspective.

## **CHAPTER TWO: LITERATURE REVIEW – PART 1**

### **2.1 INTRODUCTION**

The aim of this chapter and of Chapter Three is to critically examine the literature in order to identify the key factors likely to influence the impact of the use of HR Internet applications on managers' satisfaction with the HR function, using role theory as the theoretical lens. The structure of the literature review is illustrated in Figure 2.1. Chapter Two reviews three distinct areas of literature, while also identifying relevant theoretical connections. The first field of literature is that of organisational role theory, and this underpins the entire thesis. This section introduces the general development of role theory in organisations and presents specific aspects of prime consideration within this research, such as role expectations and role ambiguity. The second section examines the literature on customer satisfaction and the separate, but closely related, construct of service quality with particular reference to an internal marketing orientation encompassing internal customers and internal service providers. The third section reviews the literature on the use and impact of ICT in organisations, attention focusing specifically on the use of Internet technology and the construct of user satisfaction. The review is presented in this format to provide the foundation and scene setting at the overarching organisational level, before focusing on the specific HR context.

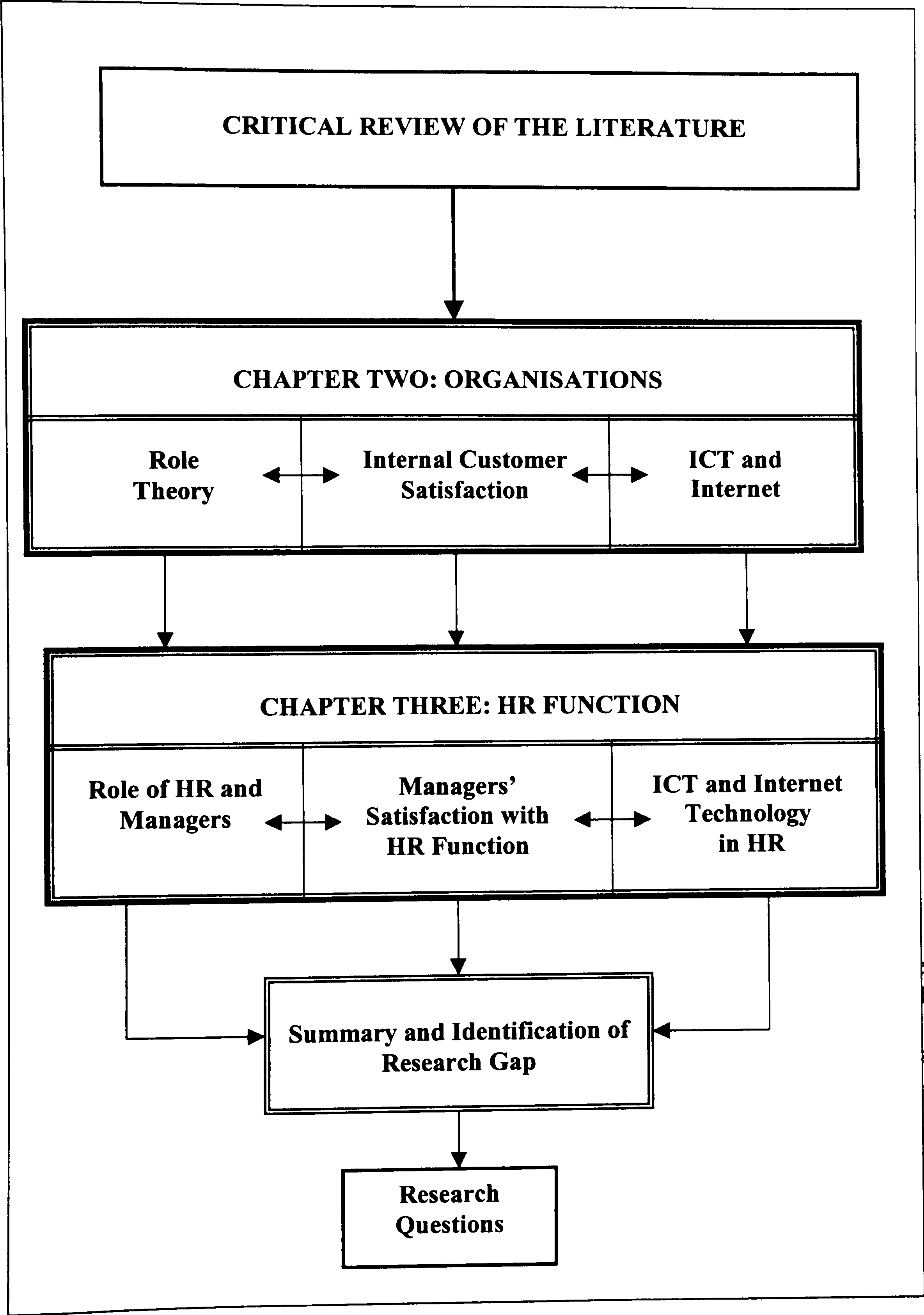
Chapter Three reviews the literature on the changing role of the HR function and that of its key internal constituents, with particular reference to the managerial level as the focus of the empirical research. The second section examines internal marketing and internal customer satisfaction as it relates to the HR function, while the third section reviews the use of ICT and Internet technology by the HR function and user satisfaction of HR Internet applications. Finally, the appropriate findings from the literature are summarised, and the research gap is identified. A review of factors from the literature, which may influence the impact of the use of HR Internet applications on managers' satisfaction with the HR function, are drawn together and presented. Two overarching research questions, and the conceptual framework appropriate for the project's exploratory approach are also developed and supported. This process helps to inform the development of suitable data collection methods such as the content of the interview guides used to explore relevant aspects mentioned in the literature.

### **2.2 ROLE THEORY IN ORGANISATIONS**

Role theory is defined as 'a science concerned with the study of behaviours that is characteristic of persons within contexts and with processes that produce, explain or are effected by these behaviours' (Biddle, 1979: 11). The study of roles has been used in the fields of organisational behaviour, sociology, psychology, HRM, and social psychology since the early 1930s (Welbourne et al., 1998). Broderick (1999) has also noted that contemporary interpretations of role theory retain this interdisciplinary aspect, and its significance is identified in explaining patterns of social interaction and integration,



**Figure 2.1:** Literature Review Structure



Source: Compiled by author

its impact on self and individuality and its usefulness as an integrative model of behaviour.

A variety of conceptualisations of role terminology exist in the literature and this is one of the problems confronting studies incorporating this multi-disciplinary theory. For clarity, Fondas and Stewart (1994) recommend the specific organisational terms used by Katz and Kahn (1978) that are largely based on those defined by Merton (1957). Katz and Kahn (1978) describe the organisation as an open system that is structured by the interaction of individuals and subsystems performing specific roles in a highly interdependent manner (Gilbert, 2000). These are defined as a role set, which contains as its core, the focal unit - an individual or group which functions within it (Katz and Kahn, 1978). For this research, the focal unit of interest is the HR function and of the membership of HR's role set, the prime focus is the individual manager.

Because all members of a role set depend upon the focal person's or group's performance in some fashion, they therefore develop beliefs and attitudes about what the person or group should or should not do as part of their role. These beliefs and attitudes held by each member of a role set are described as being role expectations. These expectations are described as being 'sent' to the focal person in the form of a sent role. The focal person's or group's perception of the messages sent by the role set is the received role, and finally, role behaviour is what the focal person or group does in response to a) the messages they receive; and b) their perception of the role (Rodham, 2000).

The effectiveness of a focal unit within a role set is based on two factors:

- a) The degree of congruity between the behavioural role expectations that those in the role set have of the focal unit, and the focal unit's own behavioural expectations of itself.
- b) The actual behaviour of the focal unit as it carries out its role expectations as defined by others in the role set (Gilbert, 2000).

As Katz and Kahn (1978) have noted, it is through these roles that organisational members consequently know each other. The position that one holds in an organisation is thus a major structural determinant of role sending - role expectations and role behaviours - and organisational members consequently devise meaning from their work behaviours and organisational relationships (Katz and Kahn, 1978). Organisational roles are also associated with social position and organisational status (Biddle, 1979).

Role behaviour is closely bound to this matrix of social and organisational relations but at the same time, 'because work roles are partially defined by the tasks that people perform, role analysis also subsumes an individual's use of technology and, hence, his or her skills. Role theory is, therefore, compatible with an analysis of a technology's immediate material implications, but its focus goes beyond such an analysis to examine how a technology's material constraints are transformed into social processes' (Barley, 1990: 68). In addition, a behaviourally based role theory offers the researcher a set of interrelated concepts by which to explain links between adjacent levels of analysis.



Thus, the context which includes organisational, interpersonal and personal factors, will all influence the role sending cycle (Fondas and Stewart, 1994) and will be unique in each situation. Barley (1990: 98), also notes that 'role based studies may help clarify the long-standing debate over the relative importance of material and social forces in the technological transformation of work'. Thus, analysis of internal customer satisfaction with a technology and the technology provider can use role theory to illustrate the complex mechanisms and to understand the interactions and intricate relationships that exist but which are not often considered in quantitative based studies.

### **2.2.1 Role Expectations**

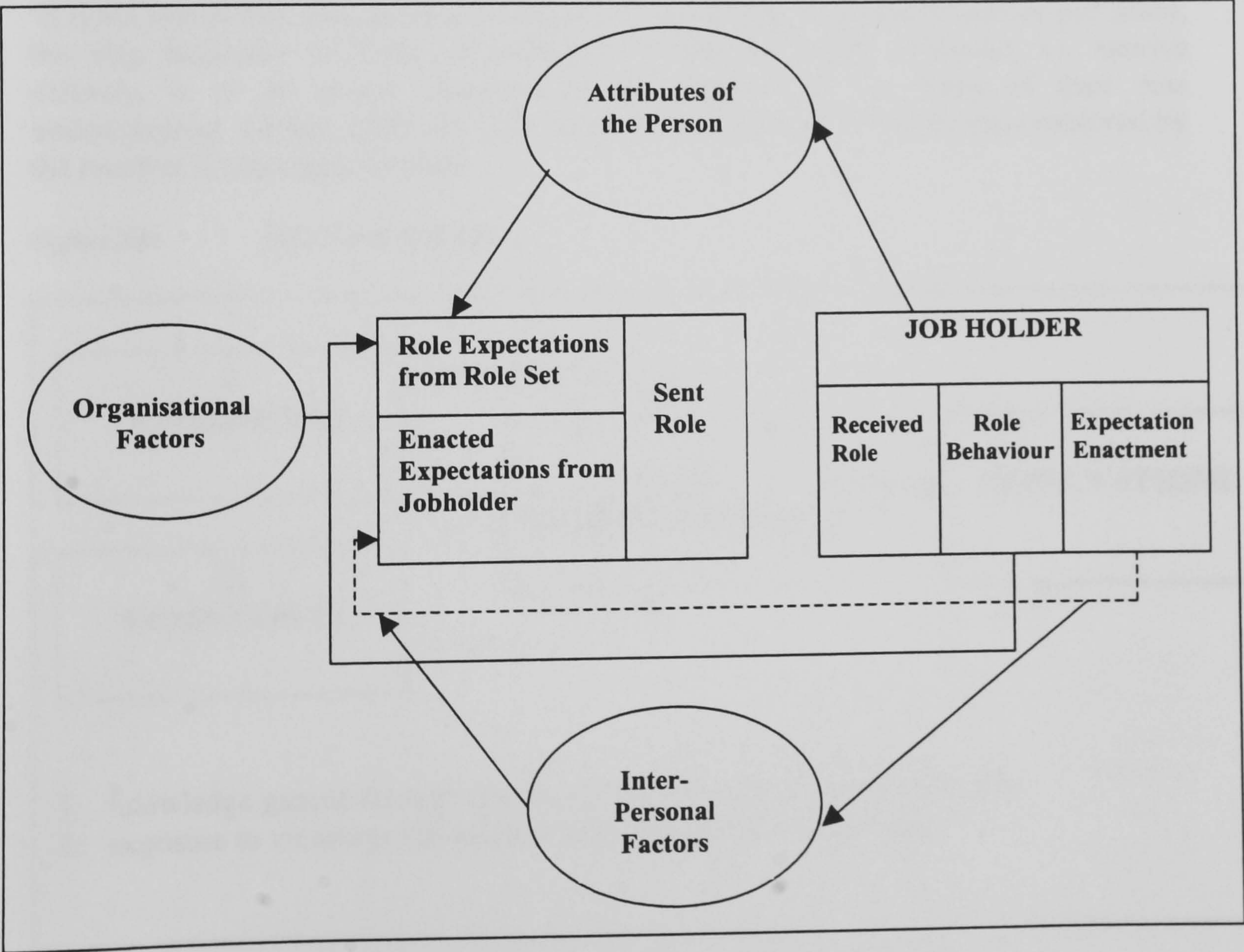
The relationship between the focal unit and its role set is at the core of organisational effectiveness and the key to effective role behaviour is seen as the process of 'learning the expectations of others, accepting them, and fulfilling them' (Katz and Kahn, 1978: 188). The role expectations held for a certain person or group by a member of the role set will also reflect that person's conception of the office and its requirements, modified in some degree by the member's impressions of the abilities and personality of the office holder(s) (Katz and Kahn, 1978). Role expectations, which are multi-dimensional (Solomon et al., 1985), exert influence on many aspects of behaviour within the organisation. Research has shown, for instance, that, 'superiors, subordinates and peers have been shown to evaluate an individual's effectiveness negatively in light of behaviours inconsistent with organisational role expectations and to evaluate effectiveness positively when behaviours were consistent with role expectations' (Miles et al., 1996: 277). Tsui (1984) also found that focal managers gain the reputation of being effective by meeting the self-interested expectations of the role set members and that these reputationally effective managers were more successful in their careers. It was also found that role senders in higher hierarchical levels were the superior constituency to that of peers and subordinates (Tsui, 1984; Pfeffer and Salancik, 1975). Furthermore, various studies have shown that behaviour tends to be consistent with the expectations of others (Dinitz et al., 1966; Rosenthal and Jacobson, 1968; Livingston, 1969), indicating that the expectations may be important for the recipient's success or failure. Thus, there is some form of self-fulfilling prophecy (Livingston, 1969), but as Katz and Kahn (1978) note, it may also be an outcome of favourable situations.

The managerial role is seen to be constituted by the intersection of both the role perceptions and the interpretations of the managers themselves as well as the role expectations of others (Hales, 1996). These expectations of the given role set, which comprise at least three primary groups of role senders for the manager - the superiors, the subordinates and the peers (Tsui, 1984) with Hales (1996) adding customers as a fourth primary group - are the main elements in maintaining the role system and inducing the required role behaviour (Katz and Kahn, 1978). In addition, the wider organisational context - its structure, culture, systems, strategy, policies - together with changes occurring over time, will influence what the expectations are, as well as how they are sent and how they are received. Katz and Kahn (1978) suggest that each sent expectation could be regarded as arousing in the focal person a motivational force of a particular magnitude and direction and that the degree to which the expectations have been met will also affect the state of those expectations at the next moment.



Fondas and Stewart (1990: 17) however, argue that previous research (Thomas and Biddle, 1966; Katz and Kahn, 1978; Biddle, 1979) does not recognise that ‘jobholders may not simply be reactive to expectations but may proactively change and/or create the expectations and therefore the social environments’. They posit in their extension model of Katz and Kahn’s theoretical model of factors involved in role formation (see Figure 2.2), that the addition of “expectation enactment” moves the relationship from a passive to an active one with the jobholder being an active contributor in defining role expectations and behaviour. This “expectation enactment” refers to the impact a manager has on the expectations to which he or she will be held subsequently. The manager thus, actively and intentionally initiates opportunities to shape role expectations (Fondas and Stewart, 1994). Rodham (2000:72) observes, however, that much of the research on the role of managers - citing Fondas and Stewart (1994) as an example of her remarks - had still produced a static impression, which had failed to account for the intentionality of managers or of the context in which they worked. ‘Many approaches to the study of roles have focused upon behaviour without setting it in the context of the role demands and expectations’. She also notes that processes underlying each role must be identified and systematically taken into account in order to arrive at an adequate role understanding (Rodham, 2000).

**Figure 2.2:**            **Expectation Enactment Model of Role Formation**



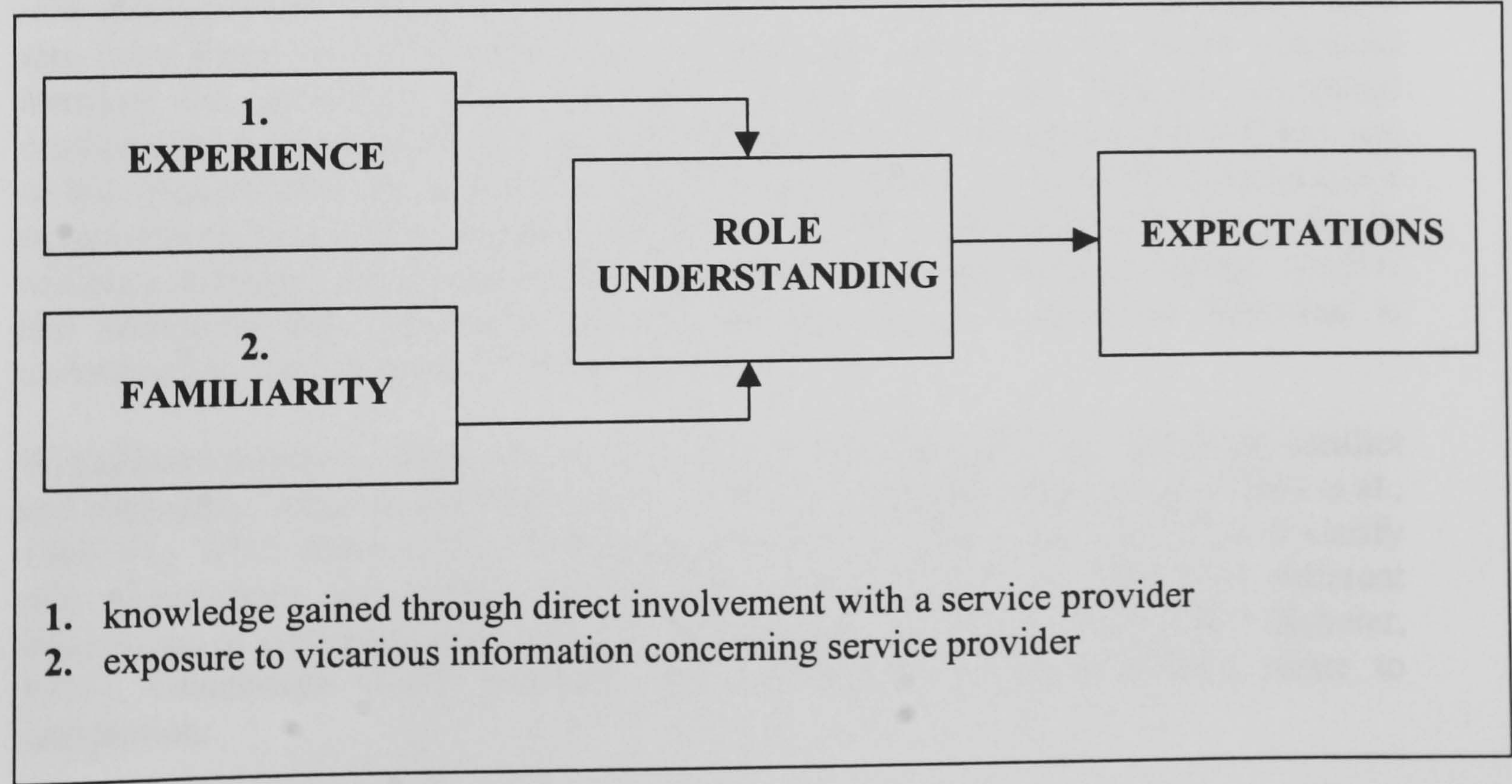
Source: Fondas and Stewart, 1990: 23.



Therefore, although it is important to know the expectations of the role incumbent as well as the other members of his or her role set, one should seek to avoid the overemphasis on the consequences and outcomes to the detriment of “why” and “how” this has occurred. This also reinforces the more dynamic nature of organisational relationships in that roles are not static, but in effect ever changing by the continual interaction between the differing parties. This issue of consistency of response to expectations also makes the phenomenon more complex (Biddle, 1979). Thus, it is possible that while individuals may conform to expectations on given occasions, on others they may not. For example, timing and circumstance, may also alter the outcome of the role sender’s continuing expectations being met.

Role theory and its focus on expectations, as mentioned previously, usefully extends to other fields of interest, most pertinently, that of marketing and ICT. For example, within the marketing literature, elements of role theory have been incorporated into existing service management approaches and both internal and external customer satisfaction (Soloman et al., 1985; Rodham, 2000). Expectations are a key variable found to affect satisfaction (Yi, 1990) and Webb (2000) proposes a model that his research findings confirm, which relates customer knowledge represented by “experience” (from direct involvement with the service provider) and “familiarity” (exposure to vicarious information about the service provider) to the customers’ expectations (see Figure 2.3). The mediator for this relationship is seen as “role understanding”, and he explains that ‘it is the role of the customer that is important, not directly in terms of service provision, but also indirectly in terms of evaluation where the result evaluated, i.e. service delivery, is to an extent impacted by the receiver on the basis of their role understanding’ (Webb, 2000: 5). This is hindered, however, if information received by the receiver is less than complete.

**Figure 2.3:            Role Understanding**



Source: Webb, 2000: 2.



### 2.2.2 Role Ambiguity and Conflict

Kahn et al.'s (1964) theory of role dynamics defines two types of role which result from conflicting, incompatible or unclear expectations derived from the work environment:

- **Role conflict** - a situation in which an employee is confronted with a set of two or more demands, such that the compliance with one demand makes compliance with the other difficult or impossible; and
- **Role ambiguity** - a situation in which desired roles sent to the employee are vague, ambiguous and unclear, thereby making it difficult for the employee to fulfil the desired sent roles.

For example, employees at every level - strategic, managerial and operative - appear to be facing increasing external pressures caused by the pace of competition, technological advancements and ever-tightening resource constraints. In addition, Floyd and Lane, (2000: 165) note that role conflict and ambiguity may occur since 'the variety of roles that individuals hold may entail a wide range of behaviours, owing to differences in context and differences in the expectations of the people with whom each individual interacts – the role senders'. They suggest, however, that for middle managers, the 'complex set of expectations juggled by them creates an increased risk of within-individual role conflict, compared to other levels of management' (Floyd and Lane, 2000: 168).

At each organisational level, role stress has been found to have differing effects. Role ambiguity appears to influence satisfaction with work at the higher organisational level, while role conflict affect satisfaction with work at lower levels (Szilagyi, 1977). However, Schuler (1977) found that employees with high ability were less affected by role ambiguity than employees with low ability. Role conflict and role ambiguity have also been found to lead to false service expectations (Webb, 2000). These variances translate into increasing complexity when considering the individual and functional relationships throughout the organisation and the changing expectations of each because of this. Bassett and Carr (1996) also recognise that freedom of flexibility to adapt one's organisational role may be bought at the expense of some other internal player's role. In addition, although the experience and familiarity of the role set may change, conflict and ambiguity may also occur because, although the expectation for behaviour is understood by the job holder, it is not adhered to.

Withdrawal responses from role set members or the focal unit to reduce role conflict and ambiguity 'reduces still further the opportunity to acquire information' (Kahn et al., 1964: 91). While Kahn et al., (1964) simply recommend more communication to clarify role expectations and reduce role conflict, research has since identified different dimensions of communication that will influence role ambiguity and conflict (Schuler, 1979). Greenbaum (1974) proposes four dimensions of communication relate to satisfaction:



- informative – indicates the amount of task relevant information an employee receives, and should directly influence what an employee needs to do to accomplish the task;
- integrative – refers to the amount of co-operative and supporting information employees provide to each other, and should reduce role conflict and ambiguity, as it informs them what other employees are doing and when, and what others expect;
- regulative – is the essence of the traditional hierarchical (supervisor-subordinate) reporting relationship, and is more applicable to routine than non-routine problems and demands; and
- distortive – which conveys suppression or filtering of information and lack of a cooperative problem-solving orientation in the organisation which, may increase role conflict and ambiguity.

Informative communication in particular can reduce role conflict and ambiguity, which can increase the flow of informative communication, which in turn can lead to higher satisfaction and improve job performance (Schuler, 1979). From the opposite perspective, Eisenberg (1984) argues that ambiguity in organisational communication could be used as a conscious strategy in a self-serving way to protect or enhance one's own position. In a threatened position, communication with subordinate staff is reduced, but frequent communication with upper management is maintained, so as to preserve power and influence in the organisation (Russ et al., 1998).

### **2.2.3 Role Prescription and Discretion**

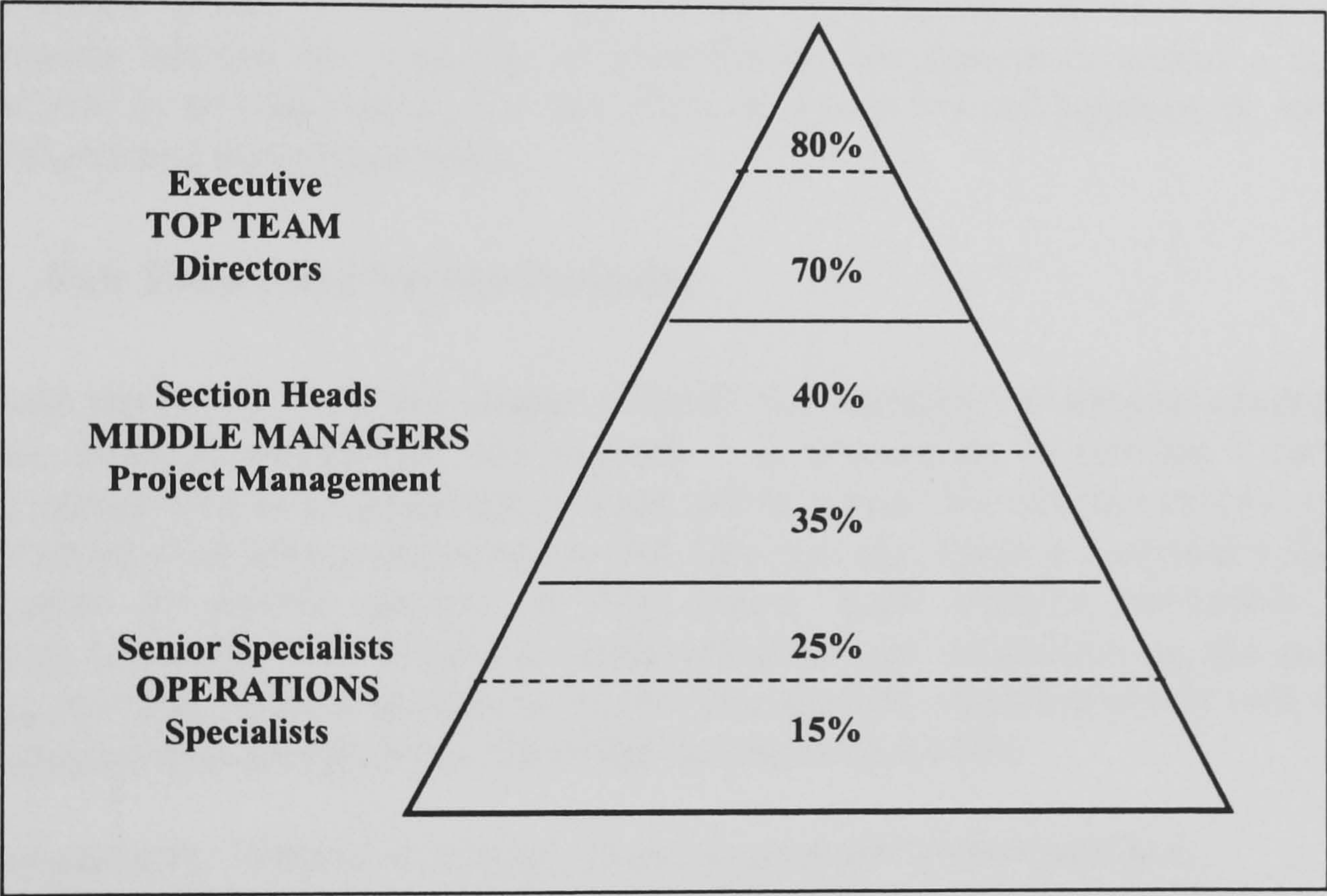
Where roles are reasonably highly structured, with little flexibility for individual decision making and implementation, the role is deemed to be prescriptive. Those roles which allow the incumbent to select its boundaries and methods of performance are considered as falling into the discretionary category (Kakabadse and Kakabadse, 2000). In addition, the elements of discretionary decision-making and implementation encompass 'the choices that the role incumbent needs to make in order to provide shape and identity to his/her role and, by implication, to that part of the organisation for which he/she is accountable' (Kakabadse and Kakabadse, 2000: 114). Each role, whether discretionary or prescribed, is also shaped by the environmental and organisational contexts (Griffin et al., 2001) as well as the personal attributes of the individual incumbent (Fondaş and Stewart, 1990).

Some theorists argue that the measurement of role flexibility should be based on the individual evaluation of personal aptitudes, experience and skills (Bassett and Carr, 1996). In the higher levels of the organisation with the assumption of greater job complexity, the individuals are likely to be the role makers. However, although their multi-faceted roles may be relatively more ambiguous than for jobs clearly specified, their roles are clear – they involve decision-making and policy formation in an uncertain environment (Tubre and Collins, 2000). As a guide, Kakabadse and Kakabadse (2000) have adapted a work discretion benchmark model (see Figure 2.4) and this clearly illustrates the general consideration that role discretion is a top team attribute.



Research has also shown, however, that increased scope for discretion can promote tension, thereby requiring role incumbents to continually manage ambiguities (Kakabadse and Kakabadse, 1999). Some individuals nonetheless thrive on the routine and repetition demanded by some roles, while for others, this is a source of dissatisfaction and alienation (Bassett and Carr, 1996). Discussing the findings of research into the role of managers and how they can manipulate the prescriptive constraints of their jobs, Hales (1986) argues that this shows how managers attempt to alter the content of their jobs by making them less reactive and less dependent upon the demands of others, instead becoming the source of the activities and demands which favour themselves and allow role latitude.

**Figure 2.4:            Role Discretion Benchmark**



Source: Kakabadse and Kakabadse, 2000: 115.

Research (Russ et al., 1998) has also shown that a boundary spanning role is a determinant of influence within an organisation. The HR function is perceived as initially taking on this role because of pressures from the external environment such as legislation, but now this is used as a means of maintaining its importance in the organisation (Russ et al., 1998). Boundary spanning roles are identified as discretionary (Thompson, 1967) and Hickson et al. (1971) recognise the detrimental effect of routine on individual power. In particular, when important segments of the external environment are heterogeneous and changing, more authority is required by the boundary-spanning role and this exercise of discretion is posited as an enabler of increased organisational power (Russ et al., 1998).

Role prescription for those at the operative level has received less research attention (Miles et al., 1996). Comparisons between managerial and non-managerial jobs,



however, have led to the conclusion that the work of each is qualitatively different and that the role behaviours of managers and non-managers - including communication behaviour (Katz and Kahn, 1978) - stand in contrast to each other.

Each manager's role encompasses differing levels of prescription and discretion on his or her choice of decision-making and implementation (Kakabadse and Kakabadse, 2000). Between role levels, research supports the differences between top and middle managers' effects on role discretion. In a study on the impact of ICT on the number of middle managers in organisations for example, it was found that standardised and structured roles facilitated top managers' efforts to substitute ICT for the middle manager role, whereas unstructured and unstandardised roles facilitated middle managers' use of ICT to enlarge their ranks (Pinsonnault and Kraemer, 1993).

The literature however, appears to assume that managerial roles are similar across organisations (Miles et al., 1996) but no literature has as yet been located which investigates whether the elements of prescription and discretion within a managers' formal role in an organisation has any effect on his or her expectations or satisfaction with the internal service providers.

#### **2.2.4 Role Theory and Service Provision**

The next section (2.3) of this chapter reviews the literature on internal marketing and internal customer satisfaction and as such, it is appropriate to provide a further role theory perspective as a foundation to these subject areas. The context of this research is that of an internal service provider, the HR function, and Table 2.1 identifies the service application of specific aspects of role theory. Each element noticeably requires proactive behaviour with regard to communication and interaction on the part of the service provider. This is reinforced by the five specific contributions of role theory to managing service encounters as identified by Broderick (1999):

- managing the interactive features of service provider-client interface;
- clarifying the interpersonal dimensions within clients' evaluation of service quality;
- dealing with the uncertainty and evolution of long term service relationships;
- enabling better planning of service format changes; and
- linking the internal and external development of effective service processes.

Service behaviours, from a role perspective, imply role development on the part of service providers. Within long-term service relationships, evolutionary trends are based on mutuality and interdependence – where customer and service provider engage in learned and newly adopted role patterns (Solomon et al., 1985). Broderick (1999) posits that role development and fulfilment may therefore be dependent on successive, confirmatory interactions between the two parties. Thus, service encounters can be modified to better address market needs at different stages in the service life cycle. Potential areas of role evolution can also be identified and changes initiated to achieve the appropriate level of role development.



**Table 2.1:            Key Role Elements in Service Encounter Analysis**

ROLE ELEMENT	AREAS OF INCORPORATION IN SERVICE ENCOUNTER	SERVICE APPLICATION(S)
Role script = role behaviours expected, enacted or developed within client-service provider interface (parallel aspect at organisational level). Role script evolution important in service modification	Stages of consumption in services (Fisk, 1981)	Client interactions where one-to-one interfaces occur continuously. Also where client frequently meets a range of service personnel individually (e.g. legal practice, accountancy, health services).
	Service interface learning (Matsson, 1994)	
	Set of role patterns (Solomon et al., 1985)	
Role performance = cumulative set of actions, interactions, activities undertaken by service provider in their fulfilment of service role. Involves evaluation and experience of current role by provider and by client	Service encounter management (Zeithaml and Bitner, 1996)	Where service providers assess how well they can meet client requirements. Service providers gradually adopt appropriate new role identity. Clients initial role expectations met and ongoing cumulative good.
	Service quality management (Gronroos, 1990; Parasuraman et al., 1985)	
	Personalization and other dimensions of service quality (Powpaka, 1996; Mittal and Lassar, 1996)	
Role congruence = occurs when a clear understanding of role expectations exists and is fulfilled at an individual level or within service process. Mutuality in service encounter achieved	Institutionalizing relationship approaches (Morgan and Chadha, 1993)	Where role expectations of service providers (by client and service team) need to be consistently met e.g. in all professional services, (education, social services). Service co-ordination necessary. Particularly important in credence based services such as policing
	Service learning interface (Matsson, 1994)	
	Degrees of interactivity relationship intensity (Glynn and Lehtinen, 1995)	
Internal role set= set of behaviours which are established through working relationships and understanding of role commitments in service provisions. Perceptions of role sets by clients depends on overall role congruence within service team	Processes aspects of service (Piercy and Morgan, 1995)	In service provision teams, customer management teams and relationship management approaches. Where service providers are engaged in direct client interfaces (e.g. financial services, airlines, public services)
	Service orientation constructs	
	Service blueprint: within both visible and invisible zones (Shostack, 1984)	

Source: Broderick, 1999: 121.



By identifying the positive relational elements of a service offering and verbalising behavioural expectations, role development needs for service providers become clearer. Role training for service changes can consequently be more focused (Broderick, 1999).

Gilbert (2000), however, found that the self-assessments of internal work teams by the members in them were distorted when compared with the perceptions of their actual performance by their internal customers. The ratings from most focal units in this research tended to estimate their own collective level of internal service quality to be higher than their actual rating by their internal customers. Thus, role incongruence may distort the reality of the situation and, if the appropriate communication does not take place between the two parties, role ambiguity and conflict may appear. One recommendation that Gilbert (2000: 182) puts forward is 'to enable internal customers to have more realistic expectations of their internal suppliers', although there is no indication as to how this might be achieved.

### **2.2.5 Section Summary**

A generic conclusion that can be drawn from the role theory literature relates to its suitability for the focus of this research. Role theory's inter-disciplinary application (Broderick, 1999) provides a theoretical underpinning to each of the separate bodies of knowledge (particularly ICT and services marketing). In addition, it supplies a useful means of integrating key factors such as expectations, customer and user satisfaction, role ambiguity and the nature of role relationships across subject boundaries.

Some important aspects to note from this review include the dynamic nature of role expectations (Fondas and Stewart, 1990 and 1994) and the impact of the behaviour of role incumbents to both manipulate and actively create expectations (Tsui, 1984; Hales, 1996). In addition, the importance of the organisational context is also identified as another influencing factor shaping the creation of expectations (Rodham, 2000). Role ambiguity and conflict are considered to be a negative influence (Kahn et al., 1964) and are identified as being caused by a number of factors such as unrealistic or conflicting expectations and/or role discretion or prescription (Hales, 1986; Kakabadse and Kakabadse, 2000). The role elements of service provision are also described, and the positive impacts of service provider role development (Broderick, 1999), communication (Solomon et al., 1985) and the importance of realistic customer expectations (Gilbert, 2000) are highlighted. Communication is also posited to reduce role ambiguity and conflict (Schuler, 1995) as well as being a method of retaining or increasing role influence and power (Eisenberg, 1984; Russ et al., 1998).

The literature contains a number of limitations and gaps. While several researchers have mentioned context as an influencing factor on role concepts and behaviour, and have discussed the nature of the interrelations, there is little consideration of the conditions under which these relationships are likely to exist (Turner, 1986). Concepts thus often identify the processes which must occur, without indicating when, where and how. In addition, the causal imagery of role theory can present an overly structured, and perhaps unrealistic vision of organisational reality which ignores informal mechanisms or internal and external volatility. Much of the role theory research consists of a literature



review and in some instances, proposals for progressing a particular aspect, without any empirical testing, while some of the empirical research is both theoretically and methodologically weak (Turner, 1986). There is often a non-critical acceptance of theory, an incomplete explanation of proposed method and/or give no consideration to any limitations of their work.

## **2.3 INTERNAL CUSTOMER SATISFACTION**

This section introduces the relevant literature from the overarching field of marketing. While the focus for this research is the internal aspect of marketing, service quality and customer satisfaction, the concepts that originated from the mainstream literature are briefly presented prior to consideration of their internal adaptations.

### **2.3.1 Internal Marketing**

While there is an extensive body of literature on customer satisfaction and service quality, over the last twenty years, internal marketing has developed as a distinct research area within the service marketing literature (Gronroos, 1978, Berry, 1981), and later, within that of service management (Carlzon, 1987) and industrial and relationship marketing (Gronroos, 1985; Gummesson, 1987). Internal marketing is defined as ‘the application of marketing, human resource management, and allied theories, techniques, and principles to motivate, mobilise, co-opt, and manage employees at all levels to continuously improve the way they serve external customers and each other’ (Benoy, 1996: 57). Internal marketing is identified as being particularly relevant to service firms, and employees are viewed as internal customers (Berry, 1980; 1981). Berry later added another strand of thought from the service marketing literature, and defines internal marketing as ‘viewing employees as internal customers, viewing jobs as internal products that satisfy the needs and wants of these internal customers while addressing the objectives of the organisation’ (Berry, 1984: 272). Lings (2000) describes this first strand of internal marketing as concentrating on the human resources perspective and closely aligning with the people element of the services marketing mix.

The field of internal marketing is becoming increasingly important since research has repeatedly shown that satisfying the needs and expectations of the internal customer will lead to positive external market outcomes (Bowen and Schneider, 1988; Heskett et al., 1994; Bowen, 1996, Loveman and Heskett, 1999). This second strand of internal marketing approaches the internal market from a TQM perspective, and views all employees and departments as being simultaneously internal customers and suppliers to other employees and departments in the firm (Lings, 2000). The delivery of this "internal customer orientation" is summarised by Reynoso and Moores (1996) as the:

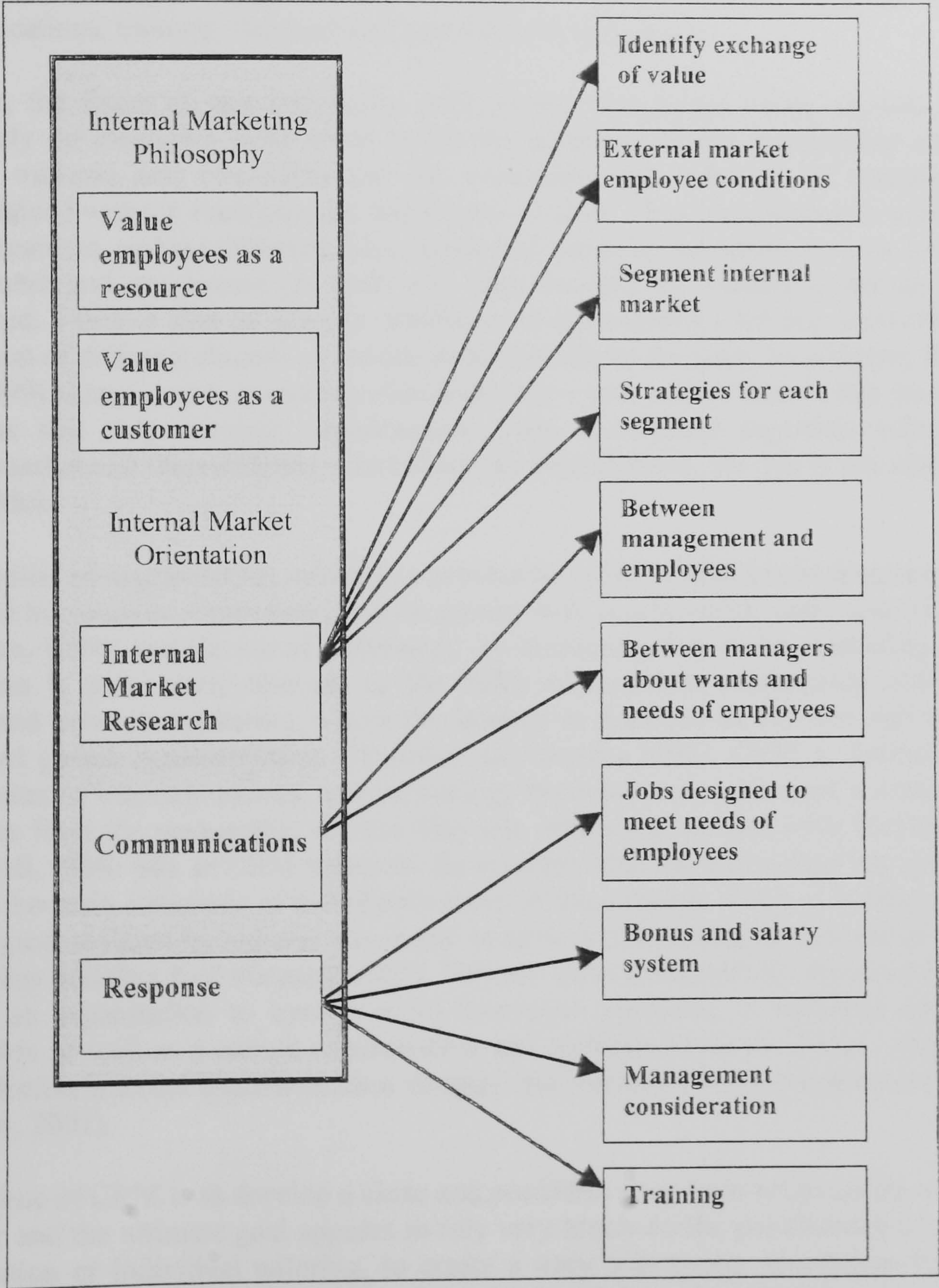
- creation of internal awareness about internal service quality;
- identification of “internal customers” and “internal suppliers”;
- identification of the expectations of the “internal customers”;
- communication of these expectations to “internal suppliers” in order to discuss their own capabilities and/or obstacles to meeting these requirements;



- identification and implementation of behavioural changes on the part of the “internal supplier” to ensure delivery of required levels of service;
- participation of the “internal suppliers” to make the necessary changes so as to be able to deliver the level of service required; and
- measurement of internal service quality and its feedback to “internal suppliers”.

Internal marketing requires an organisation to adapt to new perspectives regarding its internal culture and people management activities. Figure 2.5 illustrates the identified requirements for an internal market orientation (Lings, 2000).

Figure 2.5: Internal Market Orientation



Source: Lings, 2000: 13.



Three broad behavioural aspects are identified as pertaining to firms which successfully implement internal marketing (Lings, 2000).

1. **Internal market research** – this should include information about important attributes of jobs, internal and external factors that influence employee satisfaction, and external market conditions such as legal changes and competitor activities that may affect the first two points. Segmentation is recommended to better identify the different needs of employees.
2. **Internal communications** – where information pertinent to the effective operation of the internal market must be communicated and disseminated throughout the organisation for it to be able to adapt to the employees' needs.
3. **Internal responsiveness** – may take several forms including targeted internal communications, training, financial and non-financial incentives.

However, the focus of this orientation (and indeed, the article itself) appears to be exclusively on managers (who seem to be the suppliers of the relationship and the decision makers) and employees (as the customers and receivers of management consideration) without clarifying the definitions of each. Thus, the picture is somewhat one dimensional, and the different roles, needs and wants of the board, various levels of management and employees (as each will take the role of customer) appear to be overlooked. There is also no specific allocation of responsibility for any activities, nor recognition of different choices or actions to be considered for each. In addition, Brooks et al. (1999) (Lings was a co-author) identified only a year earlier that, in this literature, there was still only minimal consideration given to different segments within the internal market and their differing internal service expectations, yet this is not addressed in this article.

The potential of segmentation, which is a process by which a total heterogeneous group is divided into smaller, more homogenous groups with similar needs and wants (Collins and Payne, 1994), and the use of technology are increasing foci in the marketing arena. This focus is particularly relevant in the fields of customer relationship marketing (CRM) and network marketing, where the Internet is regarded as the first and current networked global implementation (Hoffman and Novak, 1996). CRM is defined as 'a combination of business process and technology that seeks to understand a company's customers from the perspective of who they are, what they do and what they're like' (Couldwell, 1998: 64). In CRM however, the concern with the technology has provided some of the main criticisms of the effectiveness of this concept. Thus, it is seen to be a technological solution by top executives and as such, a cost cutting device, rather than a relationship building tool (Krauss, 2002). Beyond this consideration, successful CRM requires an organisation to have a multi-functional approach to handling customer information as well as a culture of adaptation and responsiveness to change, supported by an effective internal communication strategy and implementation programme (Ryals and Knox, 2001).

The purpose of CRM is to develop a close and profitable long-term relationship with the customer and the ultimate goal appears to rely very much on the possibilities of micro-segmentation or individual tailoring, to create a truly one-to-one association between organisation and customer over the duration of their lifetime. As with the translation of



other marketing areas to the internal environment, it is likely that both CRM and network marketing will make the same journey, particularly as the literature on the use of technology and its effect on employees, HR and virtual working, develops.

Much of the internal marketing literature, however, has been concerned with applying research from the external customer to the internal situation. Several problems exist for the current conceptualisations of internal marketing, and these need to be considered. Thus, while in normal marketing situations there is no consequence of non-purchase by a customer (except inability to obtain the “benefits” from using that product), in the internal environment, there are often unwanted outcomes concerning the product (job) such as new methods of working, disciplinary procedures or even dismissal (Rafiq and Ahmed, 1993). Customers in normal marketing situations also have a choice of competing products, but this may not be the case in the internal situation where one particular policy must be followed. In addition, the primacy ascribed to customers in the external market does not exist in the workplace, and thus employee demands and behaviours based on an external customer example would likely receive short and sharp attention!

There are consequently limits, firstly to the degree to which external marketing processes and solutions can be transferred to the internal situation, and secondly, to the scope of employee problems that can be resolved by using a “market oriented” approach. The role of internal marketing however, can still make a considerable contribution, particularly to the HRM area, in generating an internal customer focus by using a co-ordinated set of promotional or communication techniques and an internally directed application of marketing research methods to produce valuable outcomes such as employee motivation and improved performance (Rafiq and Ahmed, 1993).

In the mainstream marketing consumer literature, satisfaction has been broadly characterised as a post-use evaluation of product or service quality given pre-use expectations (Kotler, 1991). Generally, the marketing literature has treated service quality and customer satisfaction as related but distinct constructs (Bolton and Drew, 1991). In addition, while there has been continued debate on the causal distinction between the two, recent research seems to indicate that service quality is an antecedent of customer satisfaction (Cronin and Taylor, 1992 and 1994; Parasuraman et al., 1994; Brady et al., 2002). The section on service quality will thus precede that of customer satisfaction.

### **2.3.2 Internal Service Quality**

Perhaps the most widely used definition of service quality is that suggested by Parasuraman et al., (1985) who define service quality (SQ) from the customers’ point of view, as a gap between the customers’ expectations of a service and the customers’ perceptions of the service received. They developed the SERVQUAL instrument to measure the five identified gaps, which include the differences between:

**Gap 1:** customer expectations and management perceptions of customer expectations.

**Gap 2:** management perceptions of customer expectations and SQ specifications.



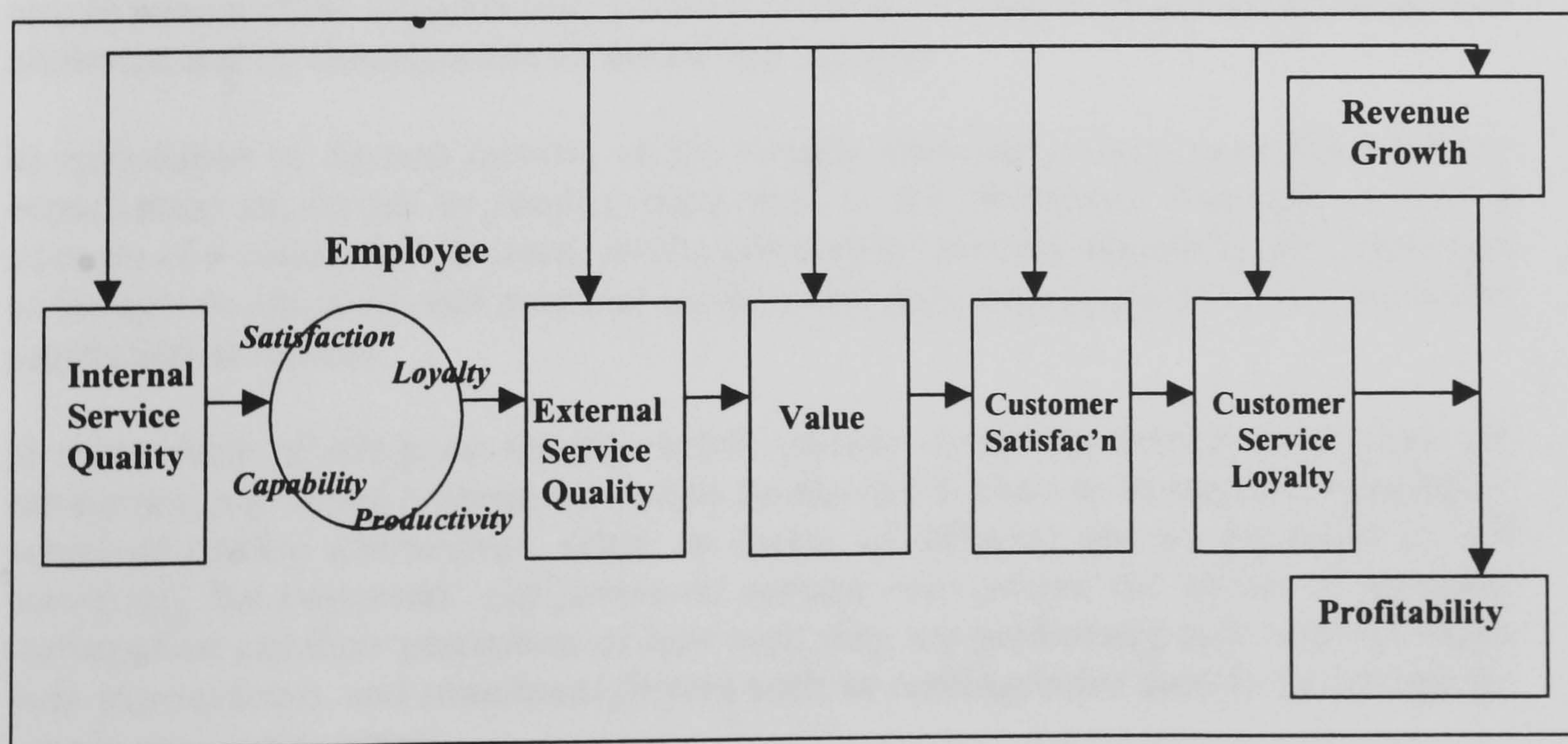
**Gap 4:** service delivery and what is communicated about the service to the customers.

**Gap 5:** customers' expectations of the service and their perceptions of the service performance (Parasuraman et al., 1985).

The objective, identified as mandatory by Parasuraman et al., (1988), is to control, and ideally, close these gaps. When these gaps remain, there is a higher likelihood of a low quality evaluation resulting in dissatisfaction and management should design or modify the service on the basis of their understanding of customers' expectations (Brown and Swartz, 1989). Parasuraman et al. (1991) assert that the SERVQUAL items represent core evaluation criteria that transcend particular companies and industries providing a basic skeleton underlying service quality which can be supplemented with context specific items when necessary. Although an alternative SERVPERF scale has been developed based solely on consumers' perceptions of the performance of a service provider (Cronin and Taylor, 1992), researchers have consistently preferred the SERVQUAL measures. A weakness of the SERVPERF scale is the absence of how the service quality construct should be conceptualised and measured (Brady et al., 2002).

Other research has concentrated on identifying new gaps to be added to the original 5-gap model. Lewis and Morris (1987) found two additional gaps – the gap between consumer perceptions of service delivery and what management believed it had delivered; and the gap between management perceptions of consumer expectations and management's perceptions of its own service delivery. Luk and Layton (2002) also identified gaps reflecting the differences in the understanding of customer expectations by the manager and front-line service providers, and in customer expectations and service providers' perceptions of such expectations.

**Figure 2.6: The Service-Profit Chain**



Source: Payne et al., 2001: 793 (Adapted from Loveman and Heskett, 1999).



Interest in internal service quality has grown throughout the 1990s. The relationship between employees, customers and organisational performance, and the importance of internal service quality was shown in the service-profit chain model developed by Heskett et al. (1994), and has been tested and extended throughout the 1990s (Loveman and Heskett, 1999) (see Figure 2.6). This stream of research found that internal service quality is positively correlated with employee satisfaction, which in turn, is positively correlated with both employee loyalty and customer satisfaction. This mirrors the work of other researchers who go further in identifying that external customer satisfaction is not simply an outcome of internal customer satisfaction, but is dependent on it (Schneider and Bowen, 1993; 1995).

The authors who developed the SERVQUAL instrument also produced a later model (see Figure 2.7) which encapsulated their findings on the factors that influence the formation of service expectations (Zeithaml et al. 1993). Customers' service expectations are important because they provide a frame of reference and standard of comparison for the assessment of the service experience. Of particular note is the finding in Zeithaml et al.'s research that the expectations of end- and business-customer groups, of experienced and inexperienced customers, and of customers of pure and product-related services fundamentally shared the same factors.

Their generic model is divided into four sections:

a) an expected service component, which can be separated into the *desired service* (that which the customer hopes to receive), and because the customer understands that this may not always be possible, a lower level expectation of *adequate service* (that which the customer will accept). A *zone of tolerance* that separates the two can expand and contract. It is noted that there is a considerable difference between an individual's zones of tolerance, and this may be affected by the individual's personality, by the circumstances of the situation (e.g. payment in advance, need to impress), by the service attributes, and by consequences of the service outcome.

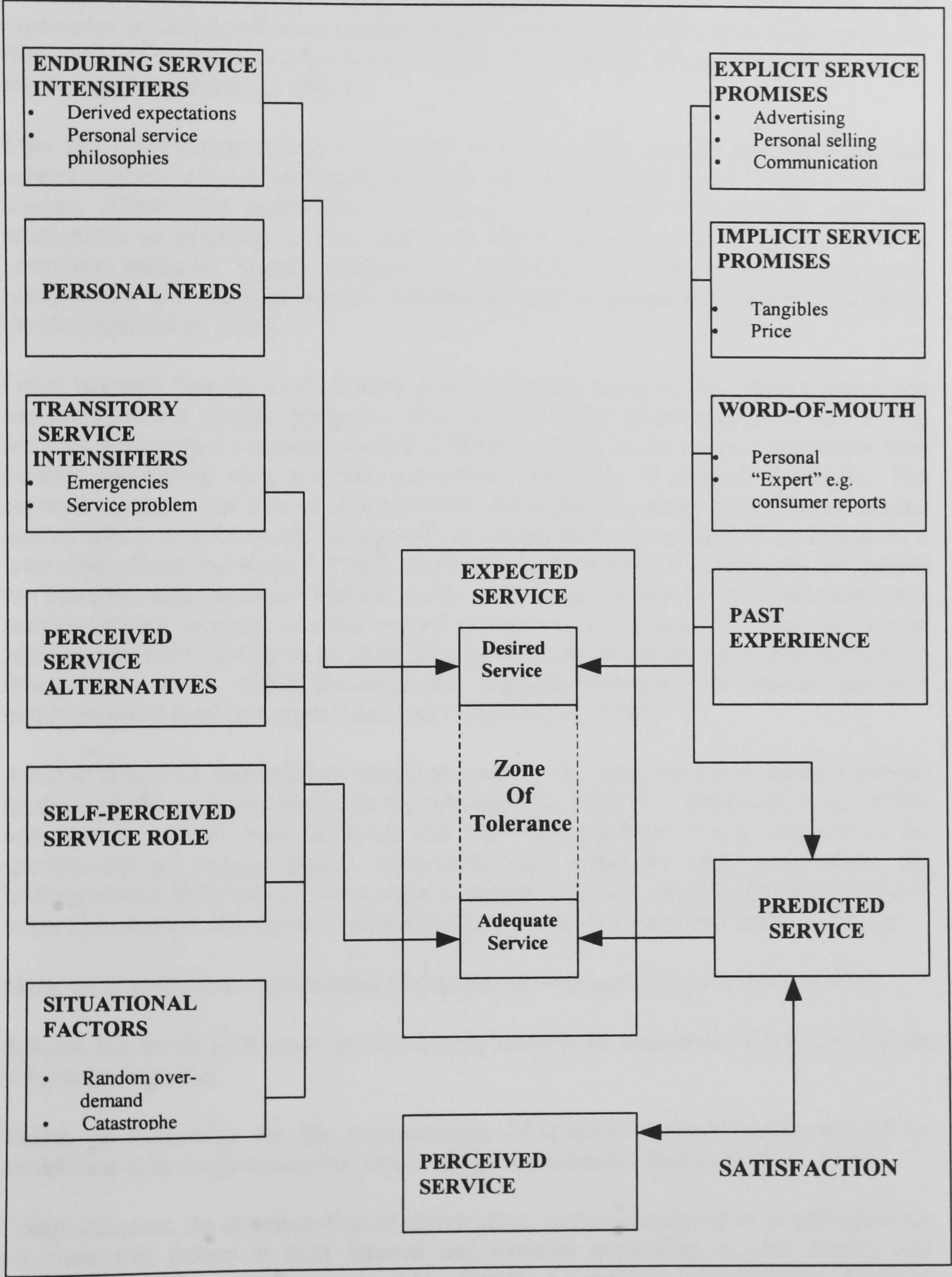
b) antecedents of desired service, which include *enduring service intensifiers* (where expectations are driven by another party such as the customers' manager, or by the strength of a customers' personal service philosophy towards standards and behaviours of the service situation) and *personal needs* which may encompass physical, social and psychological factors.

c) antecedents of adequate service, which include *transitory service intensifiers* (an emergency, e.g. where a computer system breaks down close to an important deadline), *perceived service alternatives* (such as choice of different service providers or self provision), the customers' *self-perceived service role* (where the extent of customer participation and their perception of how well they are performing that role will shape their expectations), and *situational factors* such as contingencies seen to be beyond the service provider's control.

d) antecedents of both desired and predicted service, which can be categorised as internal or external effect. External factors include *explicit service promises*, which are personal and non-personal statements made to customers by the organisation, such as



Figure 2.7: Nature and Determinants of Customer Expectations of Service and Customer Satisfaction



Source: Adapted from Zeithaml et al., 1993: 5 and 8.



advertising and contracts, *implicit service promises* that lead to an inference by the customer of what the service should be like (thus price can be perceived as a surrogate of quality) and *word-of-mouth communication* from either another user or an “expert” such as a consumer report which, will influence a customers’ expectations. *Past experience* is categorised as an internal factor and can include previous exposure to the firm’s service or brand, or other firms in a particular industry, or type of service (e.g. a 5 star hotel) (Zeithaml et al., 1993).

Two key contributing factors to the gap between service quality specifications and service delivery are role ambiguity and role conflict (Zeithaml et al., 1990; Frost and Kumar, 2000). The production of internal and external expectations and their relationship to perceived service quality is highly complex with no guarantee of a consistent outcome. Further research has identified that perceptions of acceptable performance also vary by service dimensions and as customers acquire experience (Walker and Baker, 2000).

Other research (Brooks et al. (1999) (see Table 2.2) however, has shown that when assessing service quality using the SERVQUAL scale (Parasuraman et al., 1985), internal and external customers do use different criteria, as do internal customers who directly interfacing with external customers, and those in support functions. The external customer was seen to be a key driver for higher expectations of internal service quality which would cascade throughout the organisation to the support functions. In a later study, Frost and Kumar (2000) found that internal service quality was influenced the most by responsiveness (defined as the willingness to help internal customers and provide prompt service), whereas overall perceptions of external SQ were influenced most by reliability (ability to perform the promised service dependably and accurately) (Parasuraman et al., 1991). Research also suggests however, that internal suppliers under prioritise their customers’ concerns (Hauser et al., 1996).

Another stream of research has sought to identify the components of internal service quality and the eight key elements are presented in Table 2.3. Hallowell et al. (1996) note that the authors cited recognise that while the priorities of each element of the specific internal service quality components may differ for each organisation, the leading service firms rely on these eight elements to deliver consistently high levels of value to customers. They posit a general process to achieve optimum internal service:

**First**, an organisation’s components of internal service quality need to be identified;

**Second**, the levels of internal service quality need to be measured (this could include benchmarking); and,

**Third**, accountability for the improvement of internal service quality should be established at the highest possible levels of the organisation (Hallowell et al., 1996).

Communication, the dissemination of information, and measurement of its effectiveness are consistent factors in both internal and external marketing, service quality and customer satisfaction. Research has found a positive relationship between communication effectiveness and internal service quality (Wisner and Stanley, 1999)



and improving internal communication processes is viewed as an integral part of many firms' quality improvement initiatives (Tucker et al., 1996).

Measurement is also important and the provision of a service quality information system is recommended of which the primary test is the extent to which it informs and guides service-improvement decision-making. Another important test is the extent to which the system motivates both managerial and non-managerial employees to improve service. A service-quality information system, however, does not replace the need for managers to interact directly with their customers (Berry and Parasuraman, 1997).

**Table 2.2:** Internal and External Service Quality Dimensions

Dimension	Interaction		Type		External
	S TO V	V to V	V to S	S to S	
Tangibles	No	No	No	No	Yes
Security	No	No	No	No	Yes
Reliability	Yes	Yes	Yes	Yes	Yes
Responsiveness	Yes	Yes	Yes	Yes	Yes
Competence	Yes	Yes	Yes	Yes	Yes
Courtesy	Yes	Yes	Yes	Yes	Yes
Access	Yes	Yes	Yes	Yes	Yes
Communication	Yes	Yes	Yes	Yes	Yes
Understanding the Customer	Yes	Yes	Yes	Yes	Yes
Proactive Decision Making	Yes	Yes	Yes	Yes	Yes
Credibility	Yes	Yes	Yes	Yes	Yes
Leadership	Yes	No	No	Yes	No
Attention to Detail	Yes	Yes	Yes	No	No

S = support function customer or supplier (no external customer contact)  
V= value adding function customer or supplier (external customer contact)

Source: Brooks et al., 1999; 60.

Much of the services literature presupposes a personal interaction as central to an assessment of service quality (e.g. Bitner et al., 1994), but it is noted that the increasing role of ICT in the service experience calls for a reconsideration of existing models to reflect a greater participation by the customer, a diminishing role for service personnel and a blurring between back and front office activities (Dawes and Rowley, 1998).



Table 2.3: Components of Internal Service Quality

Internal Services	Definition Quality Component	Sources
Tools	Are the tools necessary to serve customers provided to the employee by the organisation? (This includes information and information systems)	a,b,c,d,e
Policies and Procedures	Do policies and procedures facilitate customer service?	a,b,c,d
Teamwork	Does teamwork occur among individuals and between departments when necessary?	a,b,c,d,e
Management Support	Does management aid (vs hinder) an employee's ability to serve?	a,b,c,d,e,f
Goal Alignment	Are the goals of the front line aligned with those of senior management?	a,b,c,d,e
Effective Training	Is effective, useful, job-specific training made available in a timely fashion?	a,b,c,d,e,f
Communication	Does the necessary communication occur both vertically and horizontally throughout the organisation?	a,b,c,d,e
Rewards & Recognition	Are individuals rewarded and/or recognised for good performance?	a,b,c,d,f

*Key to Table Sources:* a: Zeithaml 1990; b: Berry 1991;c: Heskett 1990; d: Hart 1992: e: Garvin 1988; f: Zemke 1989

*Source:* Hallowell et al., 1996: 21.

2.3.3 Internal Customer Satisfaction

As Yi (1990) noted in her extensive review of customer satisfaction (CS), although there were many different examples, a clear definition of customer satisfaction was needed and this remains true today in that there is no single agreed-upon designation. Various definitions describe CS as either an outcome or an evaluative process with many levels of specificity. Thus, satisfaction can be with a product or service, with its attributes, with the consumption experience, the pre-consumption experience or with the service agent. Satisfaction, in marketing terms, is also individual, multi-faceted and dependent on context (Parker and Mathews, 2001). While there exists a multitude of perspectives about what constitutes customer satisfaction, there is no agreed definition for expectations (Yi, 1990). The term can refer not only to predictive expectations, which can include anticipated performance (Westbrook and Reilly, 1983) and anticipated satisfaction from the use of the product or service (Swan and Martin, 1981),



but it can also refer to other types of expectations that encompass standards of comparison for service quality assessment (Parasuraman et al., 1994) or satisfaction determination (Spreng et al., 1996). Within this research, because of its exploratory nature, the terms satisfaction and expectations are used in multiple ways to reflect different perceptions of the phenomenon.

A further approach which to date has received little empirical attention is the distinction between transaction-specific satisfaction (customer satisfaction or dissatisfaction with a discrete service encounter) and overall satisfaction, where satisfaction or dissatisfaction is based on all encounters and experience with a particular organisation (Jones and Suh, 2000). Research has found that customers view the two conceptualisations of satisfaction differently, even when both types of satisfaction were measured using the same scale (Bitner and Hubbert, 1994; Jones and Suh, 2000). The results indicate that a previous level of overall satisfaction can mitigate the negative effect of a single, less than satisfactory service encounter, but this does not apply if the level of overall satisfaction is low. In addition, it is necessary for managers to focus on monitoring transaction-specific satisfaction during early stages of a relationship because overall satisfaction is not yet established, and the effect of any single negative encounter may be considerable (Jones and Suh, 2000).

The most widely accepted model of satisfaction is the disconfirmation-of-expectations model, in which satisfaction is a function of disconfirmation, which in turn is a function of both expectations and performance (Oliver, 1997). Positive disconfirmation in which performance exceeds expectations results in satisfaction, while negative disconfirmation in which expectations exceed performance results in dissatisfaction (Oliver, 1980). Thus, the higher the initial expectations, the more difficult it becomes to satisfy a customer. As with service quality, customer satisfaction is an emotional response (Westbrook and Reilly, 1983) which is complex and often illogical. Thus, it has been shown that when a consumer holds an expectation with little confidence, he or she is not surprised when the expectation is not filled, and disconfirmation of this expectation will not have a strong effect on satisfaction (Spreng and Page., 2001). Research has also shown that people actively revise expectations to increase future satisfaction (Kopalle and Lehman, 2001).

When considering the total service experience, there is still surprisingly little known about the role of the customer during consumption (Webb, 2000) and even less is known about the pre-consumption stage where expectations are formed (Zeithaml et al., 1993). Kelly et al. (1990) suggested that role identification and customer service involvement have an impact on expectations and that these in turn determine the level of satisfaction experience. Customer involvement with the service delivery process and appropriate role identification during service delivery is deemed to increase satisfaction. This mirrors the ICT user satisfaction literature which is reviewed in Section 2.4.2.1, and focuses on the involvement of the user as being an important part of the ICT application development process leading to higher levels of ICT satisfaction.

Expectations, disconfirmation, perceived performance and prior attitudes are key variables found to affect customer satisfaction (Yi, 1990). This is supported by Solomon et al. (1985) whose review of research on customer satisfaction found that the greater



the negative discrepancy between expectations and performance, the greater the corresponding dissatisfaction. Satisfaction was seen as a function of the congruence between perceived behaviour and the behaviour expected by role players.

#### **2.3.4 Communication Between Service Providers and Customers**

From a managerial standpoint, it is important to understand how the information provided to the consumer can influence the consumer's overall satisfaction with the product or service (Spreng et al., 1996). Regarding the service provider-customer interface, and the communication between them, there is still relatively little research on this aspect of their relationship (McColl-Kennedy and White, 1997). Where this has been carried out, Brown and Swartz (1989) and Langeard et al. (1981) found that there were large differences between the perceptions of customers and those of the service providers. Further research comparing the expectations of customers with service providers also found substantial discrepancies (Hubbert et al., 1995), while the largest difference was between the expectations of the managers of service providers and those of the customer, indicating their relative lack of customer contact (Luk and Layton, 2002).

Satisfaction research informs managers that they need to “manage expectations” which it seems will be done almost exclusively through marketer-controlled sources of information (Davidow and Uttal, 1989). Berry and Parasuraman (1991) advise that organisations can manage customers' expectations by ensuring that promises made to customers reflect reality; by placing a premium within the organisation on reliability; and by communicating with customers. While Pitt and Jeantrout (1994) found that expectation management practices are linked to overall customer satisfaction, relying on the perceptions of managers who supplied the services was far less effective than the actual satisfaction or service quality data gathered from the customers themselves.

A similar development regarding internal customer satisfaction has been the recognition of the impact of marketing communication (Spreng et al., 1996; Brooks et al., 1999) and its effect on both the formation of expectations and the resulting satisfaction achieved. Research has also shown that the type of communication will affect the level of employee satisfaction (Schuler and Blank, 1976). As shown in Table 2.4 differing results between organisational levels – lower, middle and higher within the organisation (on the influence of communication) were reflected by the differing task demands, role conflict and ambiguity.

Informative communication and integrative communication (defined on page 18) are posited to reduce role ambiguity and conflict (Greenbaum, 1974; Schuler, 1979). Status quo communication is identified as having a gate keeping and limiting dimension (Schuler, 1979). Thus, regulatory and status quo communications may, because they can be inappropriate or incomplete, contribute to role ambiguity and conflict, as well as negatively affect employee satisfaction (Schuler and Blank, 1976).



**Table 2.4: Relationship of Type of Communication to Employee Satisfaction**

Level	Satisfaction with <i>Informative Regulatory</i> Communication		<i>Status Quo</i>	<i>Integrative</i>
Lower	No	No	No	Yes++
Middle	Yes+	No	No	Yes++
Higher	Yes++	No	No	Yes+

+ Moderately ++ Strongly

Source: Adapted from Schuler and Blank, 1976: 127 and 128.

**2.3.5 Section Summary**

The review of the marketing literature brings into focus the complex nature and extensive range of the different factors that influence internal customer expectations, and perceptions of internal service quality and employee satisfaction. Internal marketing and HRM activities are identified as being closely connected (Benoy, 1996; Lings, 2000), and there is increasing recognition of the value of an internal marketing orientation to positive organisational outcomes (Bowen, 1996; Loveman and Heskett, 1999). Internal relationships are viewed as those between suppliers and customers (Berry, 1984), although there is some concern that this analogy is not fully appropriate to internal circumstances (Rafiq and Ahmed, 1993). Recognition is also paid to the impact of ICT on marketing, such as CRM (Dawes and Rowley, 1998); although the possibilities provided by new technologies are often not fully understood, and are used for cost-cutting purposes rather than as relationship-building tools (Krauss, 2002).

In the service quality arena, the original SERVQUAL gap model (Parasuraman, 1985) is presented together with identification of relevant research and subsequent topics of debate (Brown and Swartz, 1989; Cronin and Taylor, 1992; Brady et al., 2002; Luk and Layton, 2002). In addition, a model by the same authors (Zeithaml et al., 1993), identifying the different factors that influence customer expectations of service quality is discussed. The literature on customer satisfaction recognises the numerous definitions or approaches to both satisfaction and expectations (Yi, 1990). A key issue relevant for this research is the discrepancies in the perceptions of expectations, service quality and satisfaction found between service providers and customers (Brown and Swartz, 1989; Hubbert et al. 1995; Luk and Layton, 2002). The need to “manage expectations” is found to positively impact on perceptions of service quality and satisfaction (Davidow and Uttal, 1989; Berry and Parasuraman, 1991; Pitt and Jeantrout, 1994). In addition, the relationship between expectations and satisfaction from the disconfirmation-of-expectations model (Oliver, 1980; 1997) raises a number of issues to be explored in the primary research, particularly concerning level of expectation (Spreng and Page, Jr., 2001) for example. Another element, which occurs in almost all of the literature, is the



criticality of effective two-way communication (Reyoso and Moores, 1996; Hallowell et al., 1996; Tucker et al., 1996; Wisner and Stanley, 1999; Ryals and Knox, 2001).

However, several weaknesses are apparent. Much of the internal marketing literature appears to consider internal customers and suppliers only in terms of the interaction between employees and their managers. In this relationship, employees alone are deemed to interact with external customers. Such a narrow perception fails to exploit both real life and the wider intra-organisational dynamics that may uncover additional influencing factors not yet considered. Secondly, most of the research is based on external service relationships. Although some findings claim to apply to the internal situation, even a superficial review recognises that this is often inappropriate. Other research studies, which have tested external models within an organisation, have often found that, by necessity, unworkable elements must be rejected and by doing so, often without any explanation, the method and research quality are rendered unreliable.

## **2.4 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)**

This purpose of this section is to review the literature on the development, general use and impact of both general ICT and Internet technology in organisations. In addition, relevant research from the closely associated computer-mediated communications (CMC) literature is also presented. The factors identified as necessary for an ICT to be considered successful are examined, with particular focus on the construct of user satisfaction, which is one of the most important and frequently used measures.

### **2.4.1 The Use of ICT in Organisations**

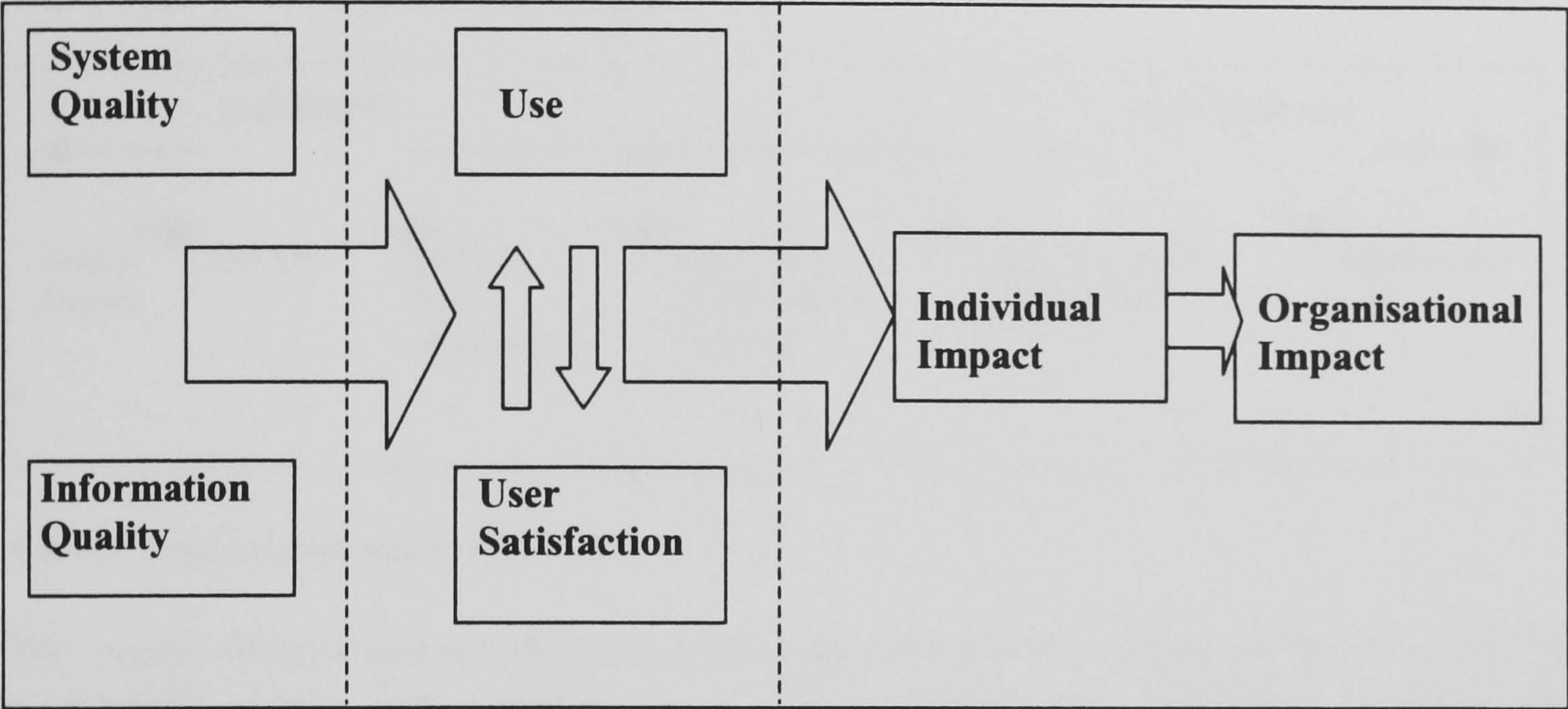
The role of ICT in organisations has changed substantially over the last fifty years. Most early computers were so big that one literally walked between the computer units. Development was comparatively slow so that while, by the mid 1950s there were about 1,000 computers, by the mid 1960s, this had only increased to about 30,000 computers in the USA (Caporael, 1984). The invention of the microprocessor in 1971 with its flexibility and low cost encouraged diverse applications so that typewriters were superseded by word processors and the personal computer became an integral part of the workplace. Before 1975, there were fewer than 200 microcomputers, but by 1977 this had increased to approximately 20,000 (Logsdon, 1980), and in 1982 some 2.8 million were sold in America (Friedrich, 1983). Since then, the impact of ICT on organisations has been both pervasive and profound and its potential for transformation has been a consistent theme throughout the literature. Findings have often been contradictory however (Robey and Boudreau, 1999). Ten years ago, Davis (1991) noted that a multi-trillion dollar investment in computers and telecommunications had done little to raise white-collar productivity in the international business community. In addition, research still identifies a failure rate of some 40% for ICT projects (Gartner Group, 2001).

Thus, both academic and practitioner interests have focused (and continue to do so) on what makes ICT successful. The seminal work of DeLone and McLean (1992)



investigated success measures. They identified six categories in an Information Systems (IS) model (see Figure 2.8) which ‘recognises success as a process construct which must include both temporal and causal influences in determining IS success’ (DeLone and McLean, 1992: 83). Within these six categories, however, some 116 different factors are identified (see **Appendix B**). This large number highlights not only the complexity and scope of the field, but the potential difficulties of carrying out effective academic ICT research, and for the practitioner of achieving success with the range of possible combinations of user priorities for different designated factors.

**Figure 2.8: IS Success Model**



*Source:* DeLone and McLean, 1992: 87.

Research on the evaluation of information systems success has addressed a diverse range of factors such as perceived usefulness (Davis, 1989), accuracy (Doll and Torkzadeh, 1988), currency (Bailey and Pearson, 1983), relative advantage (Moore and Benbaset, 1992), with increasing interest now focusing on the impact of ICT (Torkzadeh and Doll, 1999). Clegg et al.’s (1997) review of the ICT literature in nineteen refereed academic journals from 1980-1995 notes that there were surprisingly few reported empirical studies of the impact of ICT considering the enormous and accelerating uptake of ICT throughout the industrialised world. In addition, around 50% of the studies addressed the question ‘what was the impact of a new system on its users?’ but made it difficult, by taking the new system as the predictor variable, to identify what may have been the sources of any user reactions.

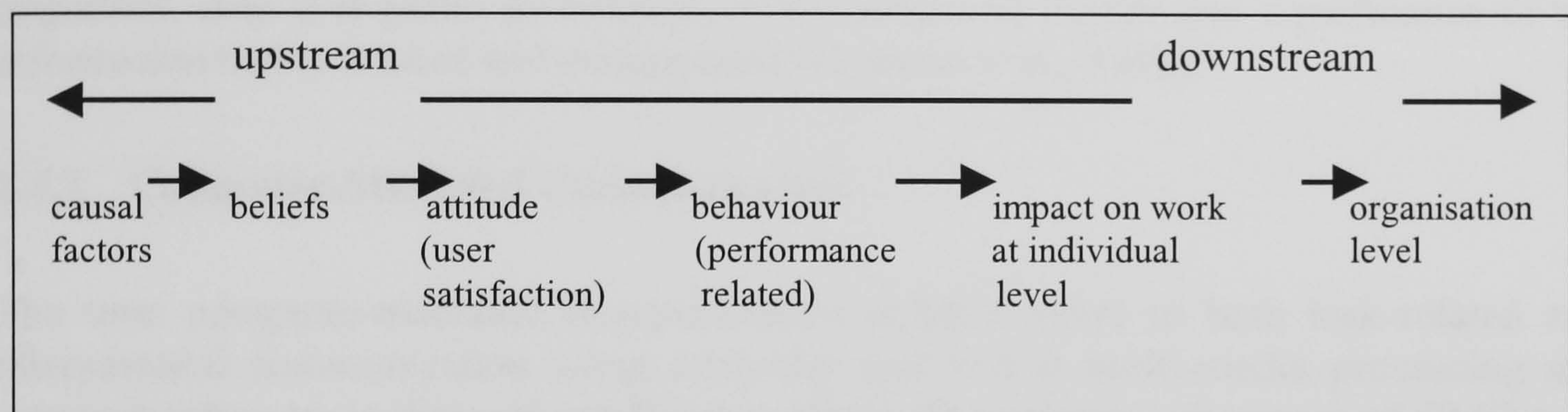
In his examination of the literature, Palmquist (1992) found that of all research undertaken to examine new information technologies, the impact on individuals and their work was given the least consideration and he believed that this would be an increasingly important research area. This lack of focus on work at the level of the individual is also noted by Torkzadeh and Doll (1999). In their research, based on attitude behaviour theory (see Figure 2.9), they argued that ‘impact is said to occupy a pivotal position in a chain of system to value constructs because it is a direct



consequence of usage and, in turn, it is a major factor determining organisational impact' (Doll and Torkzadeh, 1999: 329).

This model echoes that of DeLone and McLean (1992) model (Figure 2.8) in that it identifies user satisfaction as a critical stage in the process and demonstrates that individual impact is also directly linked to organisational impact. For the majority of employees in the organisation however, it appears to the author, that there is not such a direct relationship with organisational outcomes but rather, a cumulative and a moderating effect to team/function performance, both absolutely and through resultant interactions with other incumbents, before having a wider organisational impact.

**Figure 2.9: System to Value Chain**



*Source:* Doll and Torkzadeh, 1999: 329.

The impact dimensions are defined at the application level, which is the use of ICT to accomplish work. The importance of the measures are identified by Doll and Torkzadeh, (1999) as follows:

- Help to distinguish between effective and ineffective systems;
- As a measure of effectiveness it should be of great interest to executive management;
- As an outcome measure, it might stimulate new research that has practical implications on how systems are designed and developed;
- It may help to gauge and reduce the perceived gap between both the potential of ICT and the actual impacts.

The literature also supports the requirement for an increasing focus on the human aspect of ICT for ultimately achieving organisation level benefit. Clemons and Row (1991) suggest and the data corroborates, that ICT creates advantage by leveraging or exploiting pre-existing intangible complementary human and business resources. Powell and Dent-Micallef's (1997) literature review recognised that the linkage of technology with human dimensions is not new, but traces its routes to the "socio-technical systems" framework developed at London's Tavistock Institute over 40 years ago and the work of Miller & Rice (1967) who argued that maximised technical performance requires simultaneous optimisation of an organisation's social and technical systems. Clegg (1994) has also identified that relatively little attention is paid to date to psychological issues or to performance considerations of ICT.



Coombs et al., (1992: 55) point out that 'most contributions to research on the development and use of information and communication technology (ICT) in organisations focus primarily on ICT as an instance of technology without the explicit theoretical focus on information' with research falling into the two categories of implementation studies such as the socio-technical approach or 'labour process' studies. They also argue that the informational specificity of technology needs to be addressed in two ways, that of:

- 1) the distribution of information – its flows, patterns, concentration and the patterns of surveillance and control which are seen to broadly correspond with them; and
- 2) the meaning attributed to the contents of information which is of the view that if IT is important, then it is partly so because of the particular power and significance of the information that is created and manipulated (Coombs et al., 1992).

#### **2.4.2 Computer-Mediated Communication**

The term computer-mediated communication (CMC) refers to both task-related and interpersonal communication using computer text and/or multi-media processing and communication tools (Sproull and Kiesler, 1992). The primary advantage of CMC over other forms of communication is the lack of temporal or spatial constraint (Kiesler, 1997). Forms of CMC can be categorized as either synchronous or asynchronous. Synchronous CMC takes place in real time. Thus, participants communicate with each other at the same time or with a very short delay, and examples include instant messenger, video conferencing, and Internet chat. Asynchronous communication does not occur in real time and there is often a substantial delay between departure and receipt of a communication. Examples of asynchronous CMC include electronic mail, Internet bulletin/discussion boards, listservs, and newsgroups. CMC has been described as a different state of communication, which 'may change the psychology and sociology of the communication process itself and (create) a new linguistic entity with its own vocabulary, syntax and pragmatics' (Rice and Love, 1987: 86). In addition, Te'eni (2001) recommends that, in order to guide the new communication process, the way people choose to behave must be understood, otherwise it will not be possible to design relevant support for actual communication behaviour.

The work of McQuail (1994) focuses on the ways in which people choose which media to use. This approach addressed questions such as how the combination of individual level factors, for example, needs and dispositions and social level factors such as valuations and norms trigger expectations concerning media. Based on these expectations, the individual exposes him- or herself to certain media, seeking gratification from them. The effect of communications media on task performance and satisfaction presents another perspective. Most frequently cited is the Media Richness Theory (MRT) (Suh, 1999) which suggests that task performance will be improved when task information processing requirements are matched with a medium's ability to convey information richness (Daft and Lengel, 1984; 1986). However, as Suh records, this theory is not well supported (or was at best partially supported) by previous empirical studies. Rice and Shook, (1998) for instance, found that 'contrary to MRT,



upper-level managers did not necessarily use electronic mail less often than did low-level clerical workers. In fact, usage of different media was highly correlated with organisational level and job categories' (Suh, 1999: 299). Korac-Kakabadse and Korac-Kakabadse (2000: 23) also note that research (El-Shinnawy and Markus, 1997) found that 'e-mail was used less for its richness features as a communication medium, but for reasons that relate to a user's communication roles and richness features'. A later study (Stevens et al., 2000) has shown similar findings in that, even after relatively short periods of exposure to a media rich CMC environment, such as the Internet, those employees for whom information acquisition was central to their role chose the Web as their preferred channel of communication. Researchers investigating the social factors affecting media choices have developed a "social influence" theory which complements the assumptions of the "media richness" theory (Fulk et al., 1990). Fulk et al. argue that the objective qualities of media alone are not sufficient to explain the media choices because ultimately, they are socially determined. For example, media choices may be affected by those made by colleagues. In addition, these choices are determined by other factors such as the accessibility of services, cost of use, task requirements and experiences of use.

In situations and relationships that call for high levels of trust, however, ICT is conceptualised as a support mechanism and not a substitute for face-to-face discussion (Korac-Boisvert and Kouzmin, 1994). Robustness and trust, critical to the quality of personal interaction (Kakabadse, 1991), are severely weakened in ICT-mediated communication and therefore, a balance of appropriate intra-organisational media choice for discrete activities needs to be available so that a robust infrastructure of relationships can be built and maintained between organisational members and levels (Korac-Boisvert and Kouzmin, 1994). Kakabadse, (1991) identified that a key mechanism for improving quality of interaction and dialogue is feedback.

Communication technologies influence, and are being influenced by, people's behaviour and their attitudes. Individuals and their formative context shape the use of communication technologies and, thus, their organisational effects. Although organisational actors are influenced by communication technology and their circumstances, they are not contingent on the technological frames and have a *choice* in the manner in which to use such frames (Korac-Kakabadse et al., 1999). Other research (Kraut et al., 1998) has demonstrated the multiple effects of communication inputs in a single case. Their study revealed that the adoption of a new communication system was influenced by a change in the benefits of media as more colleagues began to use CMC but also directly by making CMC an acceptable norm of communication within the organisation. Researching from a different perspective, Goodhue, (1995) found that the task-technology fit (TTF) which is directly affected by characteristics of the task, the system and the individual, will influence the user's perceived value of the communication. Thus, level of task (structured or unstructured), choice of synchronous or asynchronous technology as well as the communication purpose such as generation of ideas or in-depth problem solving will, depending on the combination of the three factors, impact the results achieved (Shirani, 1999).



### 2.4.3 Internal User Satisfaction

The ICT field has seen a shift from technological to managerial and organisational questions, and consequently, more interest in how context and innovations interact (Benbasat et al., 1987), and this holds true today. The impact of ICT on organisations reflects this changing focus and user satisfaction has long been considered one of the most important measures of IS success (Ives and Olson, 1984; DeLone and McLean, 1992, Lin and Shao, 2000). ‘User satisfaction or user information satisfaction is probably the most widely used single measure of IS success’ (DeLone and McLean, 1992: 69). Based upon the assumption that a satisfied end user will be a productive employee, this is a major objective in the design and use of information systems (Cheney and Dickson, 1982; Lin and Shao, 2000).

The structure and dimensionality of the user satisfaction construct are important theoretical issues and have received considerable attention (Ives et al., 1983; Doll and Torkzadeh, 1988) although they have not been resolved. Most of this literature focuses on explaining what user satisfaction is by identifying its components, but the discussion usually suggests that user satisfaction may be a single order construct with substantive research studies using a total score obtained by summing items (Doll et al., 1994). This mirrors that of the customer satisfaction literature in marketing, but it appears there is an inherent danger that such an assumption of logic on the part of a user or customer may not apply. Thus, while someone may be satisfied overall with a service despite being dissatisfied with a number of individual negative encounters (Jones and Suh, 2000), they may also be satisfied overall with a system despite responding negatively to individual items. Quantitative research however, would not identify the underlying, and often complex, reasoning behind such events, even if such a response had been investigated.

There are numerous streams of work measuring effectiveness of systems by user satisfaction (Ives et al., 1983, Ives and Olsen, 1984, Doll et al., 1994) and again the complexity is highlighted by the fact that Bailey and Pearson (1983), whose model is still used extensively (Ryker et al., 1997 for example), found some 39 different factors that affected satisfaction.

As noted by Phelps and Mok (1999), the Theory of Reasoned Action (TRA), a well-known model from the social psychology literature (Fishbein and Ajzen, 1975; Ajzen and Fishbein, 1980) and the Technology Acceptance Model (TAM) (Davis, 1986), which was derived from TRA, both show perceived usefulness and ease of use as two important factors that affected satisfaction and influenced system usage. Davis (1989) using the TAM once more also reported that, all things being equal, an application perceived to be easier to use than another is more likely to be accepted by users. He also found that while attitudes predicted intentions satisfactorily in both models, TAM’s attitudinal determinants outperformed the TRA’s much larger set of predictors. The findings on perceived usefulness and ease of use have been extensively investigated and generally confirmed (Adams et al., 1992; Subramanian, 1994). In addition to perceived usefulness, an important consideration is the coaching, teaching and encouraging individuals to acquire the skills necessary for them to be successful in their computer use – ease of use will consequently be increased and facilitated (Compeau et al., 1999).



Further work, a theoretical extension of the Technology Acceptance Model (TAM 2) found that the additional factors of social influence processes (subjective norm, voluntariness and image) and cognitive instrument (job relevance, output quality, result demonstrability and perceived ease of use) significantly influenced user acceptance (Venkatesh and Davis, 2000), although resistance was often unrelated to its technical merit.

Researchers (Webster & Martocchio, 1992) have also ascertained the importance of the role of enjoyment in workplace computing. Although Davis et al. (1992) (supported by Igbaria et al., 1994) found enjoyment secondary to employee's perceptions of how useful the computer was for improving job performance, it is nevertheless an issue to consider when evaluating the myriad of criteria that cause customer satisfaction.

Doll and Torkzadeh's (1999) four factor instrument measures how extensively ICT applications impact task productivity, task innovation, customer satisfaction and management control. They identify that it is their assumption that both performance related behaviours and attitudes determine the impact of ICT – thus user satisfaction measures should be augmented and not replaced by impact measures, but the most value to be gained is that method and medium should be appropriate for the tasks of the user (Goodhue, 1995).

A key issue of the literature is whether the antecedents of user adoption and satisfaction of ICT, change over time as individuals use the ICT. Research provides some evidence of differences between the two. For instance, Davis et al. (1989) found that while ease of use is a significant determinant of use after one hour of use of ICT, it has a non-significant effect on use after 14 weeks of usage. In addition, Thompson et al. (1991) found that the influence of social norms and effect on usage were greater for inexperienced than for experienced users. Moreover, ease of use had a greater influence on utilisation for inexperienced users, corroborating the work of Davis et al.. Further research (Moore and Benbasat, 1996) showed compatibility, perceived usefulness and ease of use to be the most influential for continued usage decisions, while the work of Agarwal and Prasad (1997) found that while the current level of work usage for the Web is influenced by perceptions of visibility, compatibility and trialability, continued usage intentions were only influenced by perceived usefulness and result demonstrability. A review of ICT implementation research also indicated that organisational user's utilisation of ICT depends not only on their beliefs, attitudes and intentions, but also on management's strategies, policies and actions (Ives and Olsen, 1984; Leonard-Barton and Deschamps, 1988).

Though various models such as TAM and TRA provide reasonable predictions of ICT usage in personal-use settings, they do not incorporate the role of managerial influences on intra-organisational ICT usage (Fichman, 1992). Regarding personal managerial attitudes to ICT usage, Millman and Hartwick (1987) found that first, middle managers perceived that office automation had led to a variety of changes that, almost without exception, made their jobs and work more enriching and satisfying. Second, middle managers, with first hand experience of various systems, either through the presence of such systems in their organisation or through their own personal use of such systems, were even more positive than managers without this exposure. Research has shown that



success with an existing ICT resulted in a positive bias in managers' interpretations of new ICTs, with the bias being stronger among managers who had greater amounts of experience with the existing technology (Martins and Kambil, 1999). Indeed, unless challenged by failure, managers tend to use routines and procedures that have been successful in the past (Cyert and March, 1963; Levitt and March, 1988). Thus, it is likely that where experience has shown difficulties with particular aspects, so will the expectation of dissatisfaction be stronger.

ICT satisfaction research has also specifically investigated the users' expectations from a number of perspectives. Bhattacharjee's (2001) results which tested expectation-confirmation theory adapted from consumer behaviour literature (Oliver, 1980; 1997) suggest that user's continuance intention is determined by their satisfaction with ICT use and the perceived usefulness of continued ICT use. In addition, the user's satisfaction is influenced by their confirmation of expectation from prior ICT use and perceived usefulness. Bhattacharjee's (2001) research also notes that the presence of belief-affect-intention-behaviour-belief causality suggests the presence of feedback loops where user's beliefs, satisfaction (affect) and intention are continuously refined and modified. This feedback process is also identified as evident in other ICT contexts such as the link between user participation and involvement in system development (Hartwick and Barki, 1994).

Having installed an ICT, however, businesses often find that their expectations were different from what was actually achieved (Moreton and Aiken, 2001), with little done to evaluate planned versus achieved benefits and alternatively those that were planned but not achieved. As an impact of this situation, Ginzberg (1984) found that users who held realistic expectations or attitudes towards newly implemented information systems were more satisfied with the system and used it more than users whose pre-implementation expectations were unrealistic.

The degree of change experienced by those whose expectations were unrealistic is shown to be substantial and is contrary to 'good management of the system' that should meet users' expectations (Szajna and Scamell, 1993: 510). Recommended techniques for achieving this congruence include: 1) facilitating communication between users and developers, 2) promoting user involvement in the development processes, and 3) not promising more than can be delivered (Szajna and Scamell, 1993).

Research which adapted the Zeithaml et al. (1993) model (Figure 2.7, section 2.3.2) for testing the determinants of internal user expectations and satisfaction, found that users whose expectations were set by sources internal to the organisation (such as word-of-mouth information from co-workers and ICT staff communications), were significantly more satisfied than those whose expectations were set by external sources, which included TV commercials, academic schools and journals, and word-of-mouth information from friends (Ryker et al., 1997). However, Ryker et al.'s study considered only a very limited number of factors from the original model, and did not include their results from "past experience", although it had also been part of their research model, in their discussion or conclusions.



Quality of information and reliability of information are seen as two elements in the communications literature that contribute to perceptions of the quality of the communication climate and ultimately the organisational climate (O'Connell, 1979). In the ICT literature, information quality (IQ), viewed as 'fitness for use by consumers' (Wang, 1998: 61-2) is identified as an antecedent for user satisfaction. IQ has been modelled with four categories and thirteen dimensions – Intrinsic IQ (accuracy, objectivity, believability, reputation) shows that information has quality in its own right, with accuracy being merely one of the four dimensions underlying this category. Contextual IQ (relevancy, value-added, timeliness, completeness, amount of data) highlights the requirement that information quality must be considered within the context of the task at hand, while representational (interpretability, ease of understanding) and accessibility IQ (access, security) emphasise the importance of the role of information systems (Wang and Strong, 1996). Wang (1998: 64) argues that creators of information, as well as information suppliers, need to expand their knowledge of how and why the consumers use information and that, 'conversely, information consumers need to understand how information is produced and maintained so that communication among different roles can be effective'.

Information is not limited to the content of what is available on the system, but also that, which is available as a support mechanism for user problems and queries. Empirical studies however, have consistently shown that end users are dissatisfied with helpdesk support (Govindarajulu, 2002) and this has lead them to use other means such as more ICT literate friends and colleagues, online help or local ICT staff.

The impact of ICT on internal/external customer service quality is also highlighted with its capabilities to:

- improve customer satisfaction and service;
- increase customer orientation;
- create value for customers;
- meet customer needs;
- be able to adapt to changing customer needs;
- accommodate individual customer needs;
- respond to changing customer needs; and
- deal more strategically with internal/external customers (Doll and Torkzadeh, 1999).

This capability is supported by others who argue that technology should be seen as an aid for delivering quality service (Olaison and Revang, 1991).

The achievement of the perception of service quality and user satisfaction is assisted by two key factors – user involvement and training. Extensive research (Baroudi et al., 1986; Doll and Torkzadeh, 1989; McKeen et al., 1994; Lin and Shao, 2000) has shown a significant relationship between user participation and involvement in the adoption and implementation of ICT and user satisfaction. Low levels of user involvement have also been associated with user dissatisfaction (Leonard-Barton and Sinha, 1993). Research on Intranet implementation has also recognised user involvement as one of the six main factors for user satisfaction (Phelps and Mok, 1999). While employee participation is the leading approach to laying the cognitive foundation for successful ICT implementation, it is not a panacea: it will not make employees happy if the



information system does not work well (Garson, 2001). User involvement is further identified as important in relation to mutual adaptation particularly within an organisation where the interaction between users and developers is not only possible, but may also be critical since the technology is being developed for an internal, customised market (Leonard-Barton and Sinha, 1993).

It has long been recognised that the importance of ICT user education and the acknowledgement that different types of users need different types of training are key parts of the effective communication needed between IT provider and user (Rockhart and Flannery, 1983). The failure of ICT implementation has been linked amongst other things, to the absence of education and training (Cragg and King, 1993) as well as perceived gaps between the expectations of those introducing the system and those expected to use it (Kydd, 1989). Black and Tripp (1990) also argue that in the UK the education and training of mid- and upper-level management in ICT is less than adequate and is an inhibiting factor to ICT, and consequently, business success. When considering other inhibiting factors for intra-organisational electronic commerce, initial concerns about security, speed and message capacity were all important at the initial stages, while management involvement was the most crucial element, once more the organisation of training and awareness programs also had a significant effect on achievement (Chan and Swatman, 1999).

Grover and Teng (1994: 81-2) also found that training was one of the most important determinants of inter-organisational information systems success and that customer involvement was 'a powerful prerequisite for getting a sense of the actual needs of the customer, which subsequently leads to more use of the system'. However, ICT developers and providers need to focus on the "me" factor when communicating opportunities for both involvement and training on ICT and research has shown that motivation through expectation of gained valued outcomes is identified as a major explanation of participation in training (Tharenou, 2001).

#### **2.4.4 The Use of Internet Technology in Organisations**

The rapid emergence of Internet technologies into the commercial arena in the early 1990s has caused a revolution in the way we work. It has reshaped and affected every aspect of how business is, and will be, conducted. Townsend et al. (1998: 17) viewed the potential of these new technologies with optimism - 'this new workplace will be unrestrained by geography, time and organisational boundaries; it will be a virtual workplace, where productivity, flexibility and collaboration will reach unprecedented levels'. This is more realistically supported by Leiner et al. (1997) who describe the Internet as a worldwide broadcasting channel, a mechanism for information dissemination and a medium for collaboration and interaction between individuals and their computers without regard for geographic location.

Internet technology has developed rapidly in both the business and domestic arenas. Thus, between 1997 and 1999 Internet access by companies representing percentage of employees in the UK rose from 35 to 62% (Spectrum, 1999) rising to 90% in 2000 and at the end of 2001 was estimated to be 98% (Key Note, 2001). In August, 1995, there



were some 19,000 websites globally, growing year on year so that by December, 1999 this figure had reached almost ten million. A year later there were nearly 26 million websites worldwide and at the end of 2001, there were over 36 million (turtleweb.com, 2002).

Research findings show that for businesses the major impact and major uses of Internet technology has been as a communications tool; access to information resources; and as a mobility enabler (Lymer et al. 1998). Shaw et al. (1997) also identify that, because of the research complexity in e-commerce (in its fullest sense which includes the co-ordination within a business that focuses on supporting corporate activities, the integration of departmental activities and both the consumer and channel partner interfaces), there is the need for new business models suitable for new types of products and services; new industrial organisations and new economic structure.

O'Leary et al. (1999) reveal an important aspect that, while relevance of information has been a primary focus of the quality of information systems, for Internet based information systems there is an issue that material may not be as reliable as data in other settings. This is an important consideration for any organisational function using external based information for employee support. Another key point both for research on ICT and for practical application, is that while Internet applications automate existing activities, they also provide new capabilities that were not possible with existing business processes. In addition, where these existing processes were simply automated it was also much easier to estimate the potential efficiency benefits in advance e.g. return on investment (Krishnan and Ramaswamy, 1998).

As with the Internet, substantial organisational benefits have been ascribed to intranet development. Hinrichs (1997: 5) for example, predicted that 'intranets are going to cut costs, increase productivity, streamline business processes, improve quality...improve human resources, strategically align your organisational infrastructure, and help you emerge as a learning organisation involved in principle-centered self improvement'. Other studies, however, have reported hidden costs, performance limitations and organisational resistance (Scott, 1998), or changing technology costs/expertise and information updating requirements and security issues (Gupta and Hebert, 1998).

#### **2.4.5 Internal User Satisfaction with Internet Technology**

Although there has been considerable focus on the impact that Internet technology has had on working patterns, networked virtual organisations, innovative business relationships, research indicates that many of the findings for general ICT satisfaction, may also apply to the Internet and intranets. Thus, information quality, system quality, system use and service quality have been identified as critical success factors for web usage (Liu and Arnett, 2000). In research which focused on business to consumer (B2C) websites, consumers' continuance intention was determined by their satisfaction with initial service use and the perceived usefulness of continued service use. Satisfaction and perceived usage were both predicted by consumers' confirmation of expectations from initial service use (Bhattacharjee, 2001). Concern in organisations has been raised



however, about time wastage, frustration in using the Internet and usability for work activities (Stevens et al., 2000).

The practitioner literature on intranets, identifies three key elements for achieving user satisfaction:

- 1) that it must be relevant and useful, which means designing the intranet working back from the customer, rather than what employers want employees to know;
- 2) intranets must be promptly updated, so that employees find out from the intranet before anywhere else;
- 3) intranets are backed by strong internal communications programs, because its success is based on 60% communication and 40% technology (Kirsner, 1999).

Segmentation of communications is also identified as key so as to promote specific aspects of the intranet to those who are most likely to benefit from it (Kirsner, 1999). In addition, user involvement and training are identified as important for internal marketing and increasing the success of an intranet (Kelley, 1999).

Teo et al. (1999) investigated perceived usefulness with perceived enjoyment and found this to be a direct effect on Internet usage at work. Three dimensions of Internet usage were defined as frequency, daily Internet usage (amount of time per day) and diversity. For functional applications however, rather deeper and more extensive investigation is required. For instance, unless one considers the context, the reasons for use and the satisfaction with the outcomes of that use, only part of the picture is being exposed and this may lead to invalid conclusions. It is also difficult to assess whether frequency and time is appropriate since the length of time may simply reflect difficulties with obtaining the specific information required. Part of the problem was that this assessment was derived from previous research on computer use and not adequately adapted for the specific aspects of the Internet/intranet.

Teo et al. (1999) suggested that frequency of Internet usage and daily Internet usage increased were to be expected, as it was likely to be indulged in more frequently and for a longer time if an activity was enjoyable. Once more, however, perceived usefulness of tasks played a more significant and stronger role in the acceptance and use of the Internet. Perceived usefulness and enjoyment were found to be stronger motivators than ease of use. Previous research (Adams et al., 1992) found ease of use as a determinant was significant only in the early adoption period. The results also showed that ease of use will influence both perceived usefulness and enjoyment and indeed in the development of the Internet itself user-friendliness was a crucial factor in bringing the Internet to popularity with the masses. The implications of the work of Teo et al. (1999) is that the primary emphasis of organisational utilisation of the Internet should be its usefulness in assisting users in performing their job tasks more efficiently and effectively and secondly, because it is enjoyable and easy to use. Each role and role incumbent within the organisation however, will have a differing perception of the Internet's ability to meet his/her particular needs and expectations.

Unique to the Internet are considerations of access, thus equipment, software, infrastructure factors will affect the quality of user's access to the Web (Dholakia, 1997)



and need to be part of the consideration when researching Internet usage and customer satisfaction with it. The Internet however, is perceived much differently than other information sources or channels (White and Jacobs, 1998). Access to it is extremely fast and easy and users who are evaluating the Internet rely on relevance of information to the individual and the credibility of that information. Additional factors for which research is sparse to date but which may influence users to a different extent from traditional ICT use, are concerns about lack of Internet standards, uncertain legislation environment, reliability of data transmission, and security of information (Threlkel & Kavan, 1999). Again, depending on their organisational level and role, so will different individuals give differing priorities to the importance of these aspects.

#### **2.4.6 Section Summary**

The literature review highlights the impact that ICT has made to organisational practice, although the trillions of dollars spent have not always produced the expected results (Davis, 1991; Robey and Boudreau, 1999). The sheer scale of ICT investment motivates both academics and practitioners to identify how to make the adoption and use of ICT by the organisation a success. The term “success” however, involves a subjective component and requires the identification of both key factors and accurate measures. User satisfaction, also a subjective concept, has been one of the acceptable surrogate measures of ICT success (DeLone and McLean, 1992; Lin and Shao, 2000).

Much of the research however, on use of Internet technology has been adapted from mainstream ICT theory. This has proved to be both a strength and a weakness. Many of the models such as TAM (Davis, 1989), TAM 2 (Venkatesh and Davis, 2000), TRA (Fishbein and Azjen, 1975) have been extensively tested and refined for a number of ICT applications, and have been appropriately tested using the medium of the Internet. Training, however, is a factor that has been consistently found to be important for the success of both ICT and Internet technology (Cragg and King, 1993; Grover and Teng, 1994; Chan and Swatman, 1999, Phelps and Mok, 1999). Other research however, has not been successful because of unsuitable adaptations to fit the Internet’s unique capabilities. From the CMC literature, media choice and individual communication behaviour identify other possible factors such as social influence (Fulk et al., 1990) and individual disposition (McQuail, 1994) which may in turn have an impact on user satisfaction were highlighted.

Different aspects from both the ICT and Internet technology literatures, identified as important to user satisfaction, have been noted for use in this research. Some aspects have been identified as particularly relevant to the adoption stage, while others focus on continued use. They can be grouped within three categories:

- 1) Quality of the technology (described as system quality in DeLone and McLean, 1992; Threlkel and Kavan, 1999): this includes (but is not limited to) security, navigation/ease of use, training, speed, ease of access, customisation, interactivity, enjoyment;



- 2) Quality of information content (Wang and Strong, 1996; Wang, 1998): comprises usefulness, currency, reliability, completeness, timeliness and appropriateness for user needs; and
- 3) Quality of Internet application support service (Doll and Torkzadeh, 1999; Liu and Arnett, 2000; Govindarajulu, 2002): includes back up support mechanisms such as help desk, call centres and speed of response.

Some recurring themes that have already been identified in role theory and internal marketing/service quality/customer satisfaction also appear in the ICT literature. Customer involvement (Brooks et al., 1999) is similarly deemed important for ICT users in order to increase their satisfaction (Baroudi et al., 1986; Doll and Torkzadeh, 1989; McKeen et al., 1994; Hartwick and Barki, 1994; Lin and Shao, 2000). Managing user expectations and the need to ensure these are realistic (Ginzberg, 1984; Szajna and Scammell, 1993) combined with effective communications about the ICT (Rockhart and Flannery, 1983; Szajna and Scammell, 1993) are all posited to assist in ICT success. Internal marketing (Kelley, 1999) and segmentation (Kirsner, 1999) from the practitioner literature are identified as a key to intranet usage and satisfaction.

## **2.7 CHAPTER SUMMARY**

This chapter has critically reviewed the selected literature appropriate for this research topic. The perspective of this first part of the literature review has been from that of the organisation in general. The major sections have encompassed role theory, internal marketing and customer satisfaction, as well as that of ICT and user satisfaction.

Chapter Three comprises the second part of the literature review and now focuses specifically on the HR function. The major sections of this chapter include the changing role of HR and their internal customers at the managerial level who are the focus of the empirical study for this research. In addition, the literatures on internal marketing and customer satisfaction with HR as well as the use of ICT by the function are also examined.



## **CHAPTER THREE: LITERATURE REVIEW - PART 2**

### **3.1 INTRODUCTION**

This chapter progresses from the general organisational literatures on roles, internal customer satisfaction and ICT/Internet technology presented in Chapter Two, to their application in the HR domain. The first section reviews the changing role of the HR function and encompasses selected perspectives from the strategic, managerial and operational HR literatures. Consideration is also given to the HR/manager relationship which is the focus of this research, as well as the literature on the role of managers and the impact of HR devolution. The second section discusses the internal customer satisfaction with the HR function and the third presents the use of ICT and Internet technology in HR and resulting user satisfaction.

### **3.2 THE ROLE OF HR**

In recent years there has been considerable analysis about the role of the HR function with broad agreement that it is changing dramatically (Schuler, 1990; Ulrich, 1993; Walker, 1994) although there are many different versions as to what this role should actually encompass. With regard to the general Human Resource Management (HRM) literature however, researchers such as Keenoy (1999: 1) see the “theory” of HRM as repackaged by Guest (1997) from the US literature, as ‘a continuing source of controversy, confusion and misapprehension’. There is also some concern that the picture which emerges from the literature about the HR function is somewhat confusing and chameleon like (Hope-Hailey et al., 1997). The changing organisational requirements in response to the increasingly pressurised competitive arena are seen as either a window of opportunity or a function split between outside consultants, line managers and the accounting and legal departments (Schuler 1990). The overriding concern of both academics and practitioners as a result of this situation however, appears to be that HR, in whatever form, is perceived to be an essential high-value Board-level function critical to organisational success.

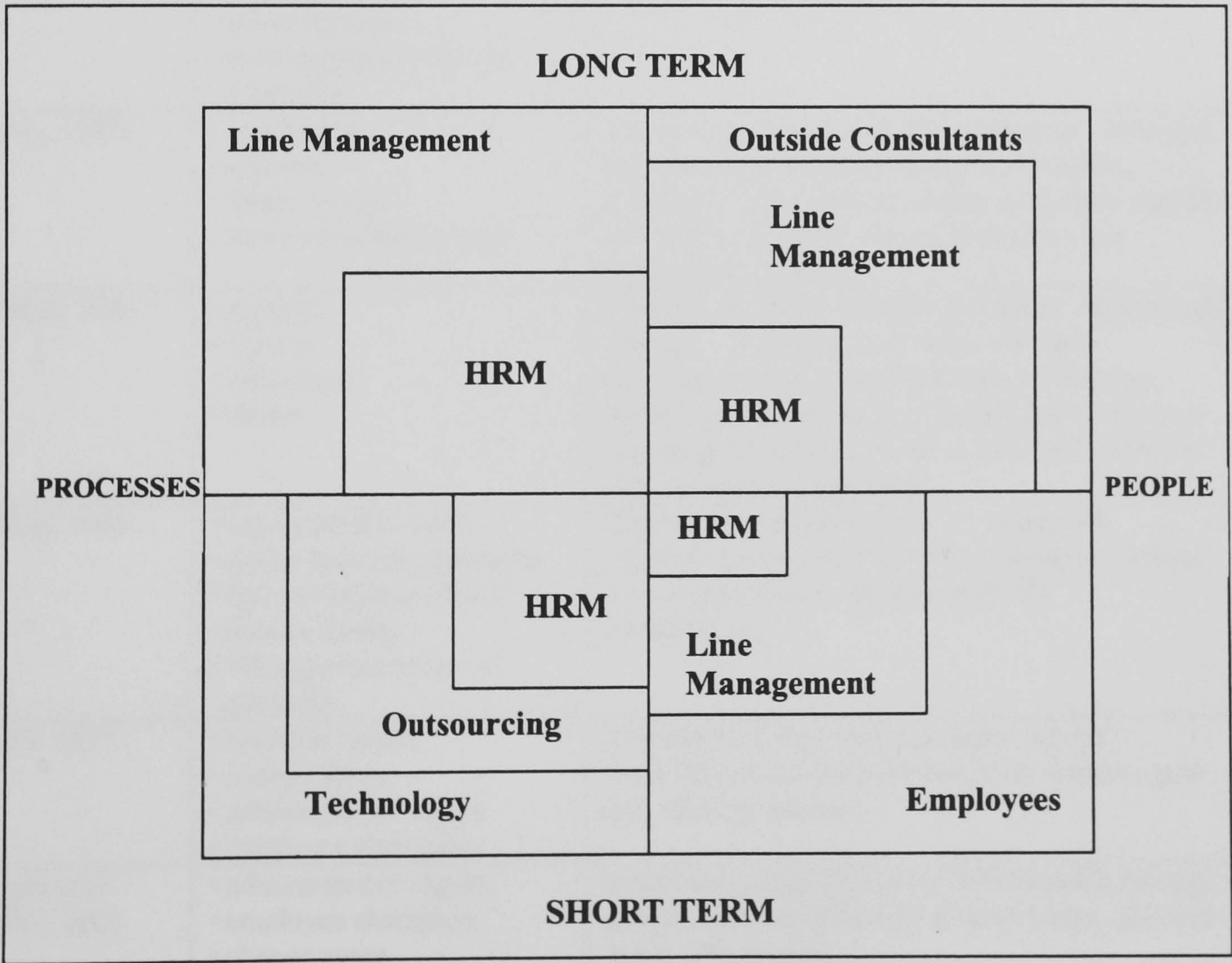
Empirical work in HR has focused on competencies (Ulrich et al., 1989), HR practices (Ulrich, 1993; Schuler and Jackson, 1987; 1989) and increasingly HR roles. One approach, Yeung et al. (1996) proposed a new model of HR competencies whereby the HR functional roles (identified as corporate HR leader, senior business generalist, HR specialist at shared service centres, HR experts at centres of expertise) are divided into a four domain competency model which they identify as corresponding to the emerging HR structure in many organisations. Yet a key research gap exists in the HR literature, which they also recognize, is the fact that very few studies discuss the strategies organisations can use to acquire or develop these new competencies (Yeung et al., 1996) or any follow up to how successful (or not) this model has proved to be when implemented. Ulrich (in Huselid and Becker, 1999: 361) identified that no one person has to excel at all roles of HR but that the overall department must be good at all of them. This requires respect for roles not played by any one person and that ‘each role



implies a set of tools and/or skills to be successful.’ The predominant perspective, however, is ‘what assessment of roles there has been involves HR “wanna be” statements made by HR people who “wanna be” involved, respected and admired by their client or advocacy statements about centrality of HR with little empirical evidence’ (Conner and Ulrich, 1996: 39).

Ulrich’s (1997) research (see Figure 3.1) has identified shared responsibilities for carrying out HR roles. It presents a useful starting point from which to consider the nature of the complex relationships that HR will have with each internal group of customers. In addition, one must also consider that for each separate activity within the quadrant there will be a different allocation. The allocation of this shared responsibility will obviously depend on each organisation, its context, culture and strategic/tactical priorities. In addition, the position the HR function holds within the particular company and the value to be gained from these relationships will be optimised by the effective role awareness, communication and realisation of the expectations (and power) of each party.

**Figure 3.1: Shared Responsibilities for HR Roles**



Source: Ulrich, 1997: 43.



The concept of added value has also been of keen interest to researchers of the HR function. Spencer (1995) for instance, unsurprisingly accorded most value to the strategic level activities (at 60% strategic; 30% HR services; 10% administration) and identifies that the costs of each activity is inverse to its importance (10% strategic; 30% HR services; 60% administrative). While this encapsulates the strategic level imperative for HR, ultimately the value of all HR work, strategic and otherwise, must be assessed in terms of impact on the financial and operational outcomes of the firm (Beatty and Schneier, 1997). The present strategic bias should be carefully reconsidered however, as ‘there is a continuing risk that involvement in strategy can take attention away from the useful, distinctive contribution that personnel specialists make to their businesses, to say nothing of the working lives of those who, at the operational level, staff them’ (Torrington and Hall, 1996: 94).

**Table 3.1            HR Roles**

REFERENCE	HR ROLES	RESEARCH METHOD
Schuler, 1990	<ul style="list-style-type: none"> <li>• business person</li> <li>• shaper of change</li> <li>• consultant to organisation/partner to line</li> <li>• strategy formulator and implementer</li> <li>• talent manager</li> <li>• asset manager and cost controller</li> </ul>	Empirical: 250 HR Managers contacted through mail survey and telephone – no details of actual participant numbers. Identifies that to reposition itself HR should treat the rest of the organisation as customers and gain a total understanding of business needs (p. 59).
Wiley, 1992	<ul style="list-style-type: none"> <li>• consultant</li> <li>• assessor</li> <li>• diagnostician</li> <li>• innovator/change agent</li> </ul>	Theoretical. Roles within 3 categories – strategic, legal and operational processes. Four roles mentioned (plus catalyst, business partner and cost manager) are part of strategic process. No supporting evidence.
Walker, 1994	<ul style="list-style-type: none"> <li>• support</li> <li>• service</li> <li>• consultant</li> <li>• leader</li> </ul>	Theoretical with anecdotal examples. Key issues: support – technology; service – SQ and meeting/exceeding expectations; consulting – leadership on HR matters; leadership – business expertise. Notes that many in HR don’t have the capabilities for these roles.
Yeung, 1996	<ul style="list-style-type: none"> <li>• corporate HR leader</li> <li>• senior business generalist</li> <li>• HR specialist at shared service centre</li> <li>• HR expert at centre of expertise</li> </ul>	Empirical: Interviews with 10 senior HR professionals in 10 different companies. Critical area regarded as leadership and core competencies.
Ulrich, 1997	<ul style="list-style-type: none"> <li>• strategic partner</li> <li>• change agent</li> <li>• administrative expert</li> <li>• employee champion</li> </ul>	Empirical; 70 item questionnaire. Result Data did not discriminate between change agent and strategic partner.
Buyens and DeVos, 2001	<ul style="list-style-type: none"> <li>• administrative expert</li> <li>• employee champion</li> <li>• change agent</li> <li>• strategic partner</li> </ul>	Empirical; tested Ulrich’s (1997) model, strategic partner deemed to be area of least value. Revised order of four roles.

Source: Compiled by author



Various roles have been defined for HR professionals (see Table 3.1). Thus, Conner and Ulrich (1996) identify that for Walker (1994) there is a continuum around four roles – from support, service, consulting to leadership. Wiley (1992) proposed the roles of HR to be consultant, assessor, diagnostician, innovator/change agent, catalyst, business partner, and cost manager while Schuler (1990) outlined six new key roles – business person, shaper of change, consultant to organisation/partner to line, strategy formulator and implementer, talent manager, asset manager and cost controller. In addition, Ulrich (1997) focuses on the requirement for HR to add value by acting as a partner with line management and asserts that the HR practitioner needs to perform increasingly complex and often contradictory roles. These roles are classified, not by what happens inside it, but by what its users or customers receive from it. The four roles are defined as strategic partner (aligning HR strategies and practices with business strategy), change agent (helping the organisation to build a capacity for change), administrative expert (designing and delivering efficient processes – HR's traditional role) and employee champion (dealing with to day to day problems and needs of individual employees) (Ulrich, 1997). Ulrich emphasises that line managers, outside consultants, technology or other delivery mechanisms may share the work with HR and the allocation of these activities to different parties will depend on the strategy of the organisation (Buyens and DeVos, 2001).

The importance for the HR practitioner is that whatever HR model is used within a specific organisation, its role, purpose and goals are clearly defined. Conner and Ulrich (1996: 39) identify that 'role clarity would help those in the HR function understand more how to add value to the organisation and help line managers set clear expectations'. Because there the multiple sets of expectations of the role of the HR function within the organisation, any changes to this requires consensus across several sets of stakeholders – top line management, functional top executives (HR), middle management and employees (Kesler, 1995) and the degree of satisfaction with the function will be an influencing factor. This will not be easy due to conflicting requirements and the influence of organisational politics but will help HR practitioners to clarify their specific role in their organisation. Despite extensive research, however, Conner and Ulrich (1996) identified that there was still the need to clearly define the role of human resources, and this situation has not yet been resolved (Tyson and York, 2000).

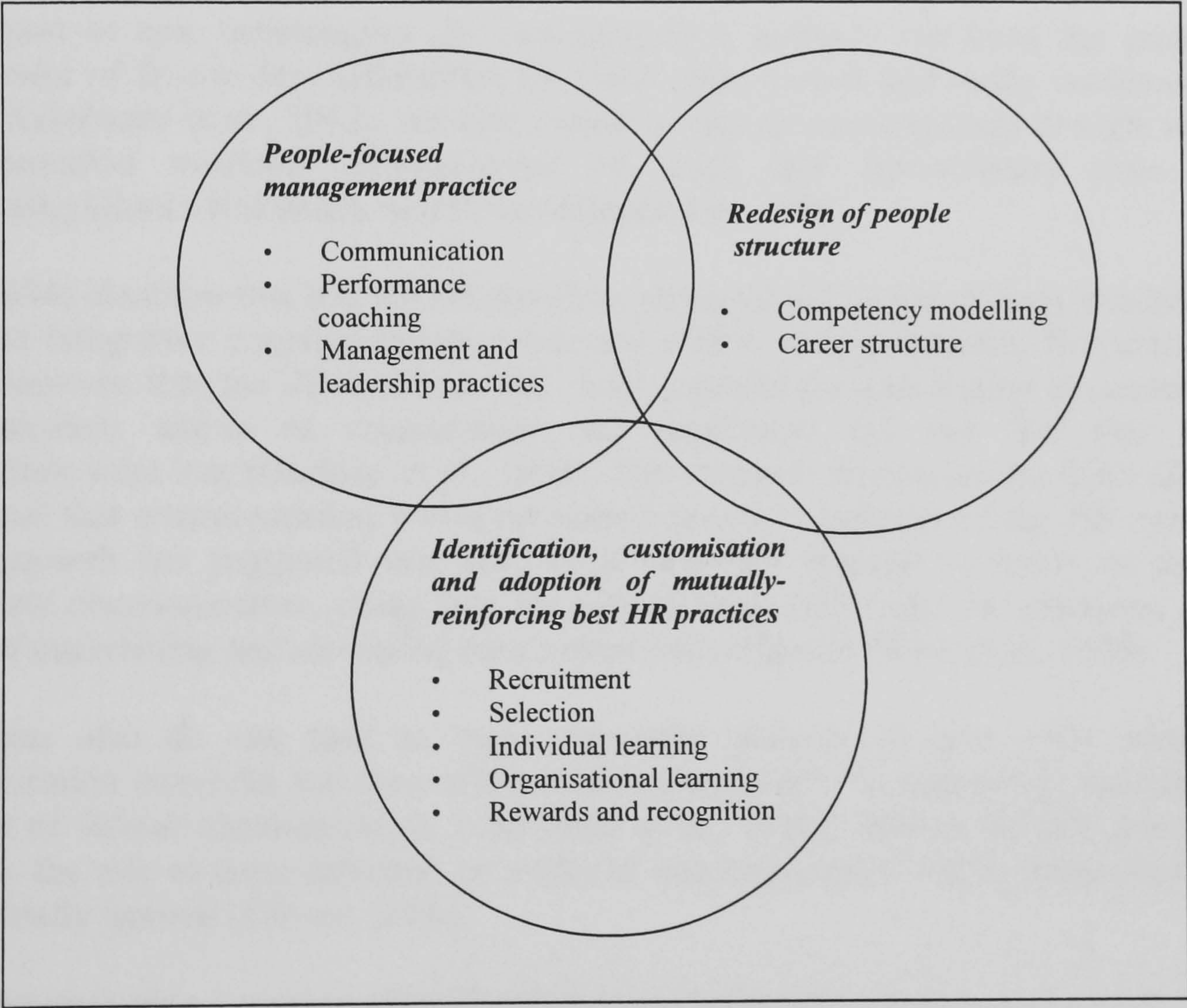
Research based on Ulrich's (1997) model (Buyens and DeVos, 2001) found that for line managers, the value added for HR was mainly situated in the firm infrastructure domain, and more specifically in the provision of functional HR services such as selection and training and administration. They found that line managers still had a traditional view of the HR function and while many of these practices may have been devolved, line managers still considered these practices as a major HR responsibility instead of defining them as part of their own role. For all groups within the study (top managers, line managers and HR managers) the domain of the management of strategic human resources was not a major area in which it was perceived to deliver value. Thus, Buyens and DeVos (2001) found that while the multiple role designed by Ulrich (1997) was confirmed HR needed to concentrate on other areas deemed by high added value rather than restrict their focus to strategy.



### 3.2.1 HR Communication

The role or roles that HR carries out within an organisation will encompass a selected range of activities and an approach to their optimum achievement. Monks and McMackin (2001) in their HR system design (see Figure 3.2) identify communication as one of the critical influences on people focused management practices and customisation as core to designing and implementing HR best practices in recruitment, selection, learning, rewards and recognition. In addition, the task for HR communicators is 'to establish and nurture productive relationships' (Yate, 1992: 98) and HR Managers and Directors should proactively look for ways to improve communication with their internal customers at each level and to fully exploit new technologies such as the Internet as a support tool to achieve mutually beneficial outcomes. This will only be achieved however, is that internally all the systems are aligned, so that they are not counter-productive, but mutually supporting (Oram, 1998).

Figure 3.2: Design of HR System



Source: Monks and McMackin, 2001: 67.



Management and manipulation of information are increasingly recognised as an important dimension of work (Bruce and Blackburn, 1992). Bruce (1997) identifies that much of the information that HR Managers and employees share will be exchanged electronically. He further suggests that 'scholars must explore how managers and workers perceive technological communication and what they want from it' (Bruce, 1997: 428). The importance of communication within organisations and its positive effect on job performance and job satisfaction have been well documented (Pincus, 1986; Bush and Frohman, 1991; Heintzman et al., 1993). However, while communication plays a central role in organisational effectiveness, little recent research has addressed the different sources of communication or their effects on employee attitudes and behaviours (Andrews and Kacmar, 2001).

HR is advised to concentrate on the quality of the communication system they put in place and maintain (Rodwell et al., 1998), rather than focusing on the myth that more communication is better (Zimmerman et al., 1996). The quality of the data and information is also of concern. Research estimates an organisation should expect error rates of approximately 1-5% which will impact customer dissatisfaction, increased operational costs, less effective decision-making and a reduced ability to formulate and execute strategy (Redman, 1998).

The impact of new technologies on communication methods has been the growing replacement of face-to-face interaction by voice mail, e-mail and video conferencing (Korac-Kakabadse et al., 2002), but also greater pressures on employees brought about by information overload, encroachment of work into discretionary time and multitasking (Korac-Kakabadse and Korac-Kakabadse, 1998).

Sims (1994) identifies that it is the HR function which should be the primary conduit for open and integrative communications processes within an organisation. Research has found, however, that the HR function only made a moderate contribution to improving communication within an organisation and employees did not feel that their expectations were met (Buckley et al., 1998). The research undertaken by Gibb (2001) also found that communication was a noticeable area of weakness of the HR system. Other research has suggested that HR, as a boundary spanner in times of threat, manipulate communication, using less for subordinates and more for superiors, as a means of maintaining and increasing their power and influence (Russ et al., 1998).

Companies also do not tend to have organised policies to deal with informal communication networks but they often exist because there is ambiguity, uncertainty and lack of formal communication (Crampton et al., 1998). Within the HR literature however, the role of these informal networks of communication within companies has been virtually ignored (Glover, 2001).

While the marketing literature identifies that communication can play a pivotal role in corporate brand management (Bickerton, 2000), it could just as reasonably play a pivotal role in the "brand" management of the HR function within an organisation. There is the need to rise to three challenges (all of which apply to the HR function), the need for a clear typology of communications, a more robust approach to segmenting



stakeholder audiences, and identification of the interfaces required for each (Bickerton, 2000).

### 3.2.2 Strategic Level

Within the HR literature there has been an almost overriding concern to build its relevance and contribution to strategic corporate decision-making (Torrington, 1989) and this strategic goal of HR has been noted as a source of status for the HR practitioners (Schuler, 1989, Guest, 1990). HR, however, only has limited representation at corporate level (Gratton et al., 1999) and this strategic role so desired by HR practitioners and academics is still not a majority occurrence. One reason put forward for this situation is that the alignment between HRM and strategy can only be achieved when the strategy of the organisation is clearly articulated and understood by HR managers who have the capability and competencies to take a strategic approach in HRM. Various researchers have estimated that only a minority percentage of HR managers are capable of fitting into this role. For example, Brooks (1994) assessed only 10-15 % to be capable; while Yeung et al. (1996) projected a wider estimate of between 10 and 35%.

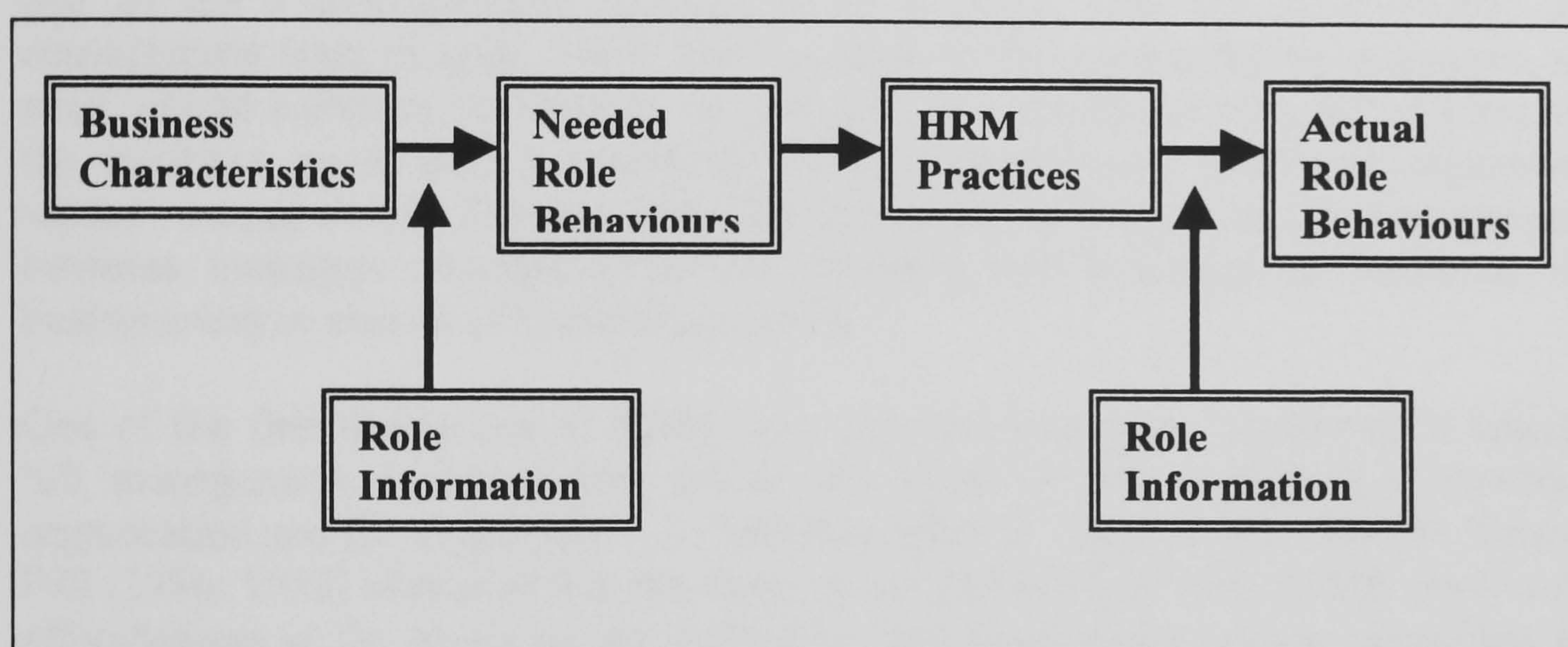
There has also been substantial consideration given to the distinction between operational and strategic levels of HR (Ulrich, 1997). The presentation of this mirrors the “hype” of HR by both academics and practitioners (Legge, 1995). It also appears to limit the choice of one over the other, between the routine low status day-to-day delivery of HR basics (which must be devolved as much as possible) to the other end the more complex (and desirable) strategic level which according to Brockbank (1999) involves five criteria of being long term, comprehensive, planned, integrated and high value added. What many observers tend to ignore, however, is that unless the administrative work is done efficiently, accurately and promptly, HR cannot play a strategic role (Ulrich, 1997). Research has also shown that top and line managers do not perceive HR’s strategic value added to be an important part of their role (Buyens and DeVos, 2001). While Storey (1992) argues that personnel specialists have not been the drivers of recent changes in HR and business strategies, Kelly and Gennard (1996), are keen to stress and reinforce the high status and regard with which HR is held and argue that the function has kept pace with change by ensuring that a positive contribution to business success is made by key HR players.

Another limitation of the strategic HRM (SHRM) literature is its external focus to the detriment of ‘consideration of the inter-connection with functional strategies seen in production, operational and technology management’ (Purcell, 1999: 33). In particular, the role that ICT can play at the strategic level in HR is under-represented by both academics and practitioners. The communication element is regarded as key within SHRM particularly since, in these times of increased labour mobility, it has been recognised that employee role behaviours (see Figure 3.3) will be different according to the requirements of different organisational goals (Schuler and Jackson, 1987; Wright and McMahon, 1992). Thus, this highlights the need for appropriate communication and training of managers and employees so that they are aware of changes and priorities in corporate goals and possess the appropriate skills to meet the new challenges. Jackson



and Schuler (1995) further posit that HRM, as the organisation's main channel for disseminating role information, supporting desired behaviours and evaluating role performance, is deemed effective when it communicates internally consistent expectations and evaluates performance in a congruent manner to the system's behavioural requirements. These requirements are presumed to depend on contextual factors such as business strategies and the nature of the industry. The correspondence between needed and actual behaviour is expected to be associated with effective organisations, while lack of correspondence is expected to be associated with ineffective organisations (Jackson and Schuler, 1992). However, while effective HRM may help employees meet the expectations of role partners, HR's own role behaviour and its performance in meeting its own role partners' expectations is an area that has been largely overlooked.

**Figure 3.3: A Role Theory Perspective for Understanding HRM Practices**



*Source:* Wright & McMahon, 1992: 304.

Critical to the SHR function is whether the top management view employees as a strategic resource (Huselid, 1995). It has been shown however, that often, HR representation at Board level is dependent on the opinion of the Managing Director as to the worth of HR. Without it, there may not be any representation or, after the demise of a well proven HR Director, the next incumbent would have to “earn their stripes” before achieving Board level (Kelly and Gennard, 1996) - an occurrence seemingly unique to HR.

At the strategic level, the roles of Directors and top management are changing and new skills and capabilities are required to meet the pressures and constraints of a turbulent and increasingly competitive external environment. There is little evidence that collectively those in HR are necessarily equipped to meet internal strategic developmental challenges (Brooks, 1994; Yeung et al., 1996). Literature on the concept of a Board or top management incumbent being an internal customer of HR with expectations of service quality appears almost non-existent. To date, the literature tends to focus on research carried out on HR Directors and other senior HR personnel for identifying their strategic level role in the organisation. However, there has been



relatively little attention paid in the literature to measuring this HR role (Conner and Ulrich, 1996).

Training, involvement of staff, commitment from the top and communication are identified as the key reasons for success of HR strategy by Skinner and Mabey (1997). However, their findings noted that, almost half of the time, the HR Director played no significant part in progressing the strategy or communicating it throughout the organisation. In addition, Skinner and Mabey (1997) also found that the key reasons for failure of HR strategy were predominantly due to poor communication and failure to involve staff.

### **3.2.3 Managerial Level**

A key focus of the HRM literature, and this research, is the manager level and indeed, one of HR's distinguishing features is its concern with the development of the management team (Legge, 1989: 28): 'In short, it is experienced by managers, as the most valued company resource to be managed, it concerns them in the achievement of the business goals and it expresses senior management's preferred organisational values'. Legge (1989: 27) also identifies that HRM is 'vested in line management as business managers responsible for co-ordinating and directing all resources in the business unit in pursuit of bottom line profits'.

One of the first definitions of HRM from Harvard University conceived it broadly as 'all management decisions that affect the nature of the relationship between the organisation and the employees – its human resources' (Beer et al., 1984: 1). Tyson and Fell (1986; 1992) identified that the three prominent needs or tasks of HR are to achieve effectiveness at the levels of the individual and organisation and to contribute to the development of the business. The first, at the management level, is related especially to the HR department as a service provider, while the others relate to the HR unit for its facilities of strategic management.

As Skinner and Mabey (1997) note however, while there is evidence of increasing line management and general management engagement with HR, the HR literature is largely silent on the perceptions of middle managers participating in HR change and a very limited understanding exists of the way that managers interpret these changes. This also applies to one of the core aspects of HR theory, devolution to the line. This pursuit, and the rationale for it, has concentrated more on how this shift of activities allows HR to become strategic (Wilkinson and Marchington, 1994), rather than on what this may mean for managers and how it could be implemented so that both parties gained mutual benefit.

#### **3.2.3.1 *Devolution and the Role of Managers***

Thus, although, the literature is generally termed Human Resource Management, it is surprisingly lightweight at addressing any management level, particularly from the perspective of the manager as a customer of HR services. Instead, as briefly mentioned,



the literature has tended to focus specifically on the HRM requirement to devolve administrative and other activities (not deemed high value) to line managers.

There are a number of issues concerning this activity, not least of which is the potential role conflict, because a company's main priority is consistently identified as the bottom line. This focus, together with the changes that re-engineering, downsizing, delayering have had on the managers' own role, has meant that they find it very difficult to find time for people management issues (McGovern et al., 1997). These factors, combined with a general lack of incentives for managers to assume responsibilities for carrying out HR activities as well as the often negative view of HR (Allen, 1991), either as ineffectual or a low level administrative function, have meant that the reality of this aim has fallen far short of the rhetoric. Yeung and Brockbank (1995), for instance, found that line managers often balked at being asked personally to handle what they viewed as basic HR work.

So, despite negative aspects to a key tenet of the HR literature, issues identified such as reluctance and lack of preparation as well as research findings that implementation has been inconsistent and uneven in quality (Poole and Jenkins, 1996), HR academics are surprisingly reticent to further explore the implications for the proposed solutions of HRM. Role implications are also relevant as are the effects on the customer-supplier relationship and satisfaction levels. Ulrich (in Huselid and Becker, 1999: 361) advises HR professionals to improve their communication and relationship management and 'engage line managers in a dialogue about which roles are most important at any one point in time'. The importance of communication is also highlighted as a key focus of the roles of middle management (championing, facilitating, synthesising and implementing) where information is communicated between the operating and top levels of the organisation (Floyd and Lane, 2000).

With regard to the issue of communication, Bevan and Heyday (1994) found that line managers were not adequately consulted by HR about the devolution of responsibilities and were, as a result, unclear about their roles. Tensions have also been identified as existing between line managers and HR because of devolution, with research (Cunningham and Hyman, 1999) showing that a majority of line managers demonstrated varying degrees of frustration at being unable to devote sufficient time to these HR activities because of the dominance of "harder" priorities. The function was additionally criticised for perceived shortcomings in the directions of people management and in the provision of training support. Part of the problem, faced by both HR itself and the line managers, has to do with the perceptions of the value of the HR activities on which research has shown that managers spend about 20% of their time (Luthans, 1988). However, this study also found that HRM activities made the least relative contribution to manager success but, with communication, was the largest relative contributor to manager effectiveness. With success defined by Luthans (1988) as the speed of promotion within the organisation, it is possible to hypothesise the likely choice of focus by managers.

While the general literature on managers' jobs and behaviours is vast, there has been a remarkable lack of empirical material on the role of line managers within HRM (McGovern et al., 1997). Middle level managers roles have changed in that they have



become more generalised and have assumed a wider range of responsibilities. This greater business orientation also encompasses a sensitivity to, and greater understanding of internal customer needs (Storey, 1992). Much of the research located regarding the use of both ICT and the Internet focuses on the HR professionals themselves, rather than the customers of their services (Elliott and Tevavichulada, 1999) and this is identified as a major gap in the HR literature.

“Partnership” working between HR and line managers has been a prominent theme of the North American literature (Renwick, 2000) with the overriding imperative being that ‘line managers or HR professionals acting in isolation cannot be HR champions: they must form a partnership. Line managers bring authority, power and sponsorship and have overall responsibility for the HR community. HR professionals bring technical expertise (and) a domain of final necessary competency credibility’ (Ulrich, 1997: 236-7). There is as yet little empirical evidence that this is occurring.

This could, unfortunately, be another “lost opportunity” for HR to benefit from the skills and capabilities of a valuable group of people. Thus, middle managers have been identified as being uniquely suited to communicating proposed changes across an organisation because at the implementation stage, middle managers can spread the word and get people on board because they usually have the best social networks in the company (Huy, 2001). Many of them start their careers as operations workers or technical specialists, and over time and through various job rotations at the same company, they have built webs of relationships that are both broad and deep (Huy, 2001).

Research has shown that although this devolution has occurred, in terms of responsibility, line management is perceived as more important than personnel/HR departments for most practices (Poole and Jenkins, 1996). This means however, that there are possible negative connotations for the HR function. Two ultimate directions for this devolution of HR activities have been suggested – a pessimistic forecast of the demise or even extinction of HR as a discrete function or, ‘the optimistic route (which) points to enhanced status for a possibly physically diminished, though managerially respected HRM “architect” role’ (Cunningham & Hyman, 1999: 11). Do nothing, outsource and devolve are the choices between HR’s strategic recognition or demise (Ulrich et al., 1997) and each has far reaching implications on both the function and its customers. Tyson (2000: 8) concurs identifying that ‘absorption of line management in the operational sphere and the integration of HR into the strategy making activities of senior management, may reduce the possibility of a separate occupational identity’. As yet there is no agreed response in the literature.

### **3.2.4 Operational Level**

Torrington and Hall (1996) identify that the literature on the operational role of the HR function is very thin, with an overarching assumption, already mentioned, that it should be devolved to line managers and external companies. Just as Storey in 1989 called for more systematic studies of how employment practices have impacted upon people who are deemed to be the recipients of the array of messages and initiatives (of HRM), so in



1998 was it found still surprising how little was devoted to the operational level inside organisations and that the voice of those at the receiving end tended to be under represented in the HR literature (Clark et al., 1998). The importance of the employees to both the success of the HR function as well as to their role in any organisational design and improvement is being overlooked. Bacon (1999) also confirms that employee responses have been neglected in recent academic workplace studies.

There is also concern among some researchers that there is an assumption that an effective implementation of HRM policies will produce a situation in which employees become more fulfilled. While HRM also implicitly advocates a more effective way of improving the employment relationship (Legge, 1989; Townley, 1993), much of the literature overlooks the significance of this relationship (Ezzamel et al., 1996). Thus, the role of the operative, their role requirements for skills development and their satisfaction with HR methods and support are also underdeveloped research areas.

### **3.2.5 Section Summary**

Although the HR literature extensively proposes desirable roles of increasing importance for the function within organisations, there is both little agreement between academics as to the nature of these roles and a lack of empirical studies on which to develop HR theory of acceptable rigour. While HR has sought to justify its existence and establish its strategic role, much of the research has focused on what HR wants (Conner and Ulrich, 1996) rather than what other organisational members require. There has also been little recognition that the act of consistently meeting or exceeding priority needs may be the catalyst for organisational acknowledgement of HR's value added bottom-line contribution. From the analysis of each organisational level, the literature has shown that HR does not often listen to its own message and nor demonstrate by its actions that people are the organisation's most important asset. Thus, even at the strategic level, key reasons identified for the failure of HR strategy are poor communication, lack of training and failure to involve staff (Skinner and Mabey, 1997). At the management level, the reasons for devolution of HR administrative activities to the line were almost wholly from the perspective of HR's needs rather than for the benefit of the organisation or managers (Wilkinson and Marchington, 1994), and the process has suffered from a lack of consultation with line managers by HR (Bevan and Heyday, 1994; Poole and Jenkins, 1996). There is also a lack of empirical research on managers' roles encompassing HR activities (McGovern et al., 1997), and this lack of information, and possible interest, is even more pronounced at the operational level (Storey, 1989; Torrington and Hall, 1996; Clark et al., 1998).

The importance of effective intra-organisational communication has been consistently established (Pincus, 1986; Bruce and Blackburn, 1992; Heintzman et al., 1993), yet HR have not seized the opportunity to demonstrate how they could provide a value-added contribution to this area as part of their role (Sims, 1994). On the contrary, communication has been identified as a distinct HR weakness (Buckley et al. 1998; Gibb, 2001) and the HR literature has virtually ignored the reasons for and impact of informal communication (Crampton et al., 1998; Glover, 2001).



### 3.3 INTERNAL CUSTOMER SATISFACTION WITH HR FUNCTION

While internal marketing relates to all functions within the organisation, it is vitally important to that of HR since a market-oriented HR Manager is more likely, through demonstrating the relevance of HR, to make an impact on the success of the organisation (Collins and Payne, 1991). Beatty and Schneier (1997: 69) agreed, adding that competitive advantage implied customer value. Whatever HR did, they suggested, ‘must not only add value to HR’s internal clients, but also, add economic value to the organisation’s external customers and investors’. Value added at both levels is the direct result of service quality and satisfaction, but the HR literature has paid too little attention to this interaction in the desire to be considered a high value added, strategic function yet Ulrich (in Huselid and Becker, 1999: 356), stresses that: ‘HR professionals are the givers or creators of programs and services, but they cannot define the ultimate value by themselves....value is defined by the receiver more than the giver’.

As a support function that provides services to its internal customers, the HR literature is increasingly recognising the importance of service quality that leads to internal customer satisfaction (Bowen, 1996), which then leads to further organisational benefits (Bowen and Schneider, 1988; Heskett et al. 1994; 1999). If HR departments are to be responsive to both internal and external customers, they must look for ways to improve the quality and responsiveness of their services (Greer et al., 1999). This focus on the internal market emphasises HR’s role in forging the first link of internal service quality and the HR function is required to enact two basic shifts in orientation. One from a production to a service orientation in which HR becomes committed to internal customer satisfaction (Bowen and Greiner, 1986) and second, by balancing a “technical merit” perspective with a “user reactions” one (Bowen, 1996). This would mean that the HR function adds internal customer satisfaction as a contribution to the list of technical criteria it uses to assess the effectiveness of HR practices (Bowen, 1996). To move from a product to a market orientation, HR needs to adopt new attitudes and procedures, as illustrated in Table 3.2, which presents stereotypical differences with regard to training programs (Collins and Payne, 1994).

In an earlier work, Collins and Payne (1991) identified four stages for the HR Manager when considering how to effectively service all levels of the internal customer:

- 1) **Internal Market Analysis** of the needs and wants of the client groups served;
- 2) **Mission Development** – identifying what is and what should be HR’s role in the organisation;
- 3) **Market Segmentation** – identification to address specific services for the needs and wants of smaller more homogenous groups from the organisational whole;
- 4) **Developing and Implementing the Marketing Mix** – products and services; place (location and delivery); promotion and communication; pricing (transfer pricing and expense allocation).

Other authors emphasise the importance of HR recreating itself as a customer focused support function that exists to meet customer needs as efficiently as possible (Ulrich et al., 1997). HR should re-evaluate the content and service aspects of their role from an



internal customer perspective. HR’s potential contribution to facilitating internal customer success, identification of the goals to be achieved and assessment and customer feedback of the best ways of providing these services efficiently and effectively, should be consistently carried out (Barney & Wright, 1998). However, to date there has been an absence of literature that investigates how HR reacts to any “customer” complaints or issues with its service provision and indeed, research into internal customer satisfaction with the function is still limited. Even at the strategic level, Tyson (1997: 281) identifies how different models of HRM lack customer focus nor examine the effectiveness ‘of how the HR function interrelates with other aspects of the business’.

**Table 3.2:           Stereotypical Differences Between Market-Oriented and Product-Oriented HR Managers with Respect to Training Programs**

ATTITUDE AND PROCEDURES	PRODUCT ORIENTATION	MARKET ORIENTATION
Attitudes towards clients:	They should be glad we exist. Trying to cut costs and bring out better programs.	Client needs determine training programs.
Program offering:	Department provides courses that fit our interests and skills.	Schedule programs we know the client’s need.
Interest in innovation:	Focus is on technology and cost cutting.	Focus on identifying new opportunities.
Importance of costs:	A number in the budget we cannot exceed.	A critical objective.
Number of programs scheduled for the year:	Set with the delivery requirements in mind.	Set with client needs and costs in mind.
Role of marketing research:	To determine client reaction if used at all.	To determine client needs and if they are being met.
Attendance at programs:	Fill all available places – repeating is a good revision.	Select attendees according to their needs and coordinate this with other managers.
Promotion of programs:	Advise managers when their staff are to attend the next course.	Demonstrate need-satisfying benefits of course to clients.

Source:   Collins and Payne, 1994: 105.

The HR literature’s concern with strategic organisational performance has similarly resulted in little research existing for groups of employees on the relationship of HR practices (Martell and Carroll, 1995) or indeed, vice versa on the effects of practices by the HR function on groups or individuals within the organisation. Analysis of HRM



from the point of view of those on the receiving end been the exception rather than the rule in the HR literature (Clark et al., 1998). Those that are the exception have also in the main tended to limit the exploration to discrete HR activities and individuals' reactions to them (Clark et al., 1998).

Baruch's (1997) empirical study evaluating HRM quality by the organisation's top management and its employees found that HR has a high responsibility in the creation of employees' satisfaction and commitment. Research suggests, however, that employees have a cynical view of the management-employee relationship (Thompson and Ackroyd, 1995). In many companies, the HR department is even seen as a barrier, rather than a facilitator, for line managers and operatives to meet the business goal of satisfying customer needs (Yeung et al., 1994). In addition, the HR role has been clearly identified by those at operative levels as being the view and concerns of management (67% perceived this was the case) rather than that of the employees (only 6% felt HR represented their needs) (Poole and Jenkins, 1996). Because of such attitudes, HR also needs to re-evaluate its operative level service, given the far-reaching changes to the psychological contract which technology is and will continue to have on employees in the workforce.

Within research that compared HR and line executives' evaluations of the effectiveness of the HR function in terms of its service delivery, roles and contributions to the firm, HR executives consistently rated HR's effectiveness higher than did line executives (Wright et al., 2001). They posited the reason for this being due to one or any combination of four factors:

- that the HR function is not completely delivering on the services, roles and contributions expected;
- line executives did not view staff functions as having a critical relationship to firm success and were not thoroughly familiar with all the activities in which HR was engaged, nor of all the ways in which it contributed;
- line managers had failed to implement HR systems, implying that 'HR needs to devote more effort to working with line executives through influence, training and communication' (Wright et al., 2001:120); and
- line executives may feel lack of ownership over HR services if they are not involved in their design.

Just as HR managers need specific capabilities at the strategic level, they also require an understanding of marketing concepts in order to develop and implement appropriate internal marketing activities such as segmentation. Research indicates however, that senior HR Managers were comparatively ignorant about strategic marketing activities. However, Strategic Marketing Managers were relatively well informed of HRM issues (largely due to their prominent role in strategy development and their roles in internal communication and internal marketing) (Harris and Ogbonna, 2001). This situation requires further investigation, since marketing led recommendations for improving internal customer satisfaction and service quality will not be implemented properly if they are not understood.



Segmentation is a key marketing-led recommendation which will enable HR to better serve its customer base (Collins and Payne, 1994). Market segmentation allows efficient resource allocation for different internal customer groups, emphasising the areas of greatest importance to achieving organisational objectives. Role theorists have posited that every organisational role requires its own customised set of skill, experience and temperament specifications (Bassett and Carr, 1996) and therefore, both role and individual development needs may require sophisticated management techniques to optimise consistent goal achievement. By developing specific services HR can also generally improve the perceived effectiveness of its performance in satisfying its internal clients. Furthermore, the process becomes a cost benefit exercise in balancing the level of customisation required against the benefits to the organisation (Collins and Payne, 1994).

However, there has so far been little consideration of differing segments within the internal markets and their differing service expectations (Brooks et al., 1999) which is deemed a critical part of achieving this internal customer satisfaction. One-to-one marketing and customer relationship marketing (CRM) (Peppers and Rogers, 1999) are key concepts in the mainstream marketing literature, yet there still appears to be minimal translation to the HR and the internal marketing field. The potential that the Internet or intranet has to offer internal service providers to accomplish effective firm wide and individual customisation is only slowly now starting to trickle through.

### **3.3.1 Section Summary**

The literature reviewed in this section continues to identify a consistently recurring message. It is HR's customers who must define its value, not HR (Ulrich, in Huselid and Becker, 1999). HR is advised to shift its attitude to a marketing orientation (Bowen and Greiner, 1986; Collins and Payne, 1994), focus on internal customer expectations (Ulrich et al., 1997; Barney and Wright, 1998) and the achievement of internal customer satisfaction (Bowen, 1996) and concentrate on improving HR's service quality (Greer et al., 1999). Training and communication are identified as critical parts of these processes (Wright et al., 2001), not least of all for those in HR who, research has shown, have little awareness or understanding of marketing concepts (Harris and Ogbonna, 2001).

Many of recommendations made within the internal marketing, service quality and customer satisfaction fields are either directly or indirectly related to core HR activities and HRM principles. Thus, such aspects as training, job design, policies and procedures, communication, rewards and recognition are individually and collectively means of improving the outcomes of internal customer and supplier relationships, which in turn produce organisational level benefits (Schneider and Bowen, 1993; 1995). It is surprising this potential synergy has not been exploited for HR's (and the organisation's) advantage. The HR literature on this topic, however, lacks theoretical coherence and suffers from a deficiency of both theory testing and theory building empirical research.



### **3.4 ICT AND THE HR FUNCTION**

This section reviews the use of ICT and Internet technology by HR together with the identification of user satisfaction factors noting any contextual differences to the mainstream organisational user satisfaction literature.

#### **3.4.1 The Use of ICT in HR**

The 1959 Annual Report of the Radio Corporation of America noted the emergence of the 3 C's of electronics – computers, control and communication – at the end of the 1950s (Van Delden, 1998). In addition, the impact of technology on HR was identified as of critical importance: 'It is time for the personnel administrator to start thinking about how the use of electronic office devices will change the nature of opportunities, challenges, and problems of their job from the corresponding situations which have prevailed in the past. Just as the general use of gunpowder changed living habits ... a progress in office equipment can be expected to wreak similar revolutionary change in our business habits (Van Delden (quoted from 1960), 1998: 162).

The first computerised employee record keeping systems were already introduced in the early 1960s and transaction processing applications, for payroll and benefits administration, soon followed (Martinsons, 1994). Although through the 1970s and 1980s there had been rapid growth in computer usage for personnel work (Legge, 1989), this usage was generally modest and used limited applications. In the 1970s manpower planning became more sophisticated with the advent of computer models which could predict future requirements by manipulating the many variables of labour supply and demand, and record keeping and selection tests also benefited from computer advances (Tyson and York, 2000). Computerised HR information system managers (CHRIS) only came into existence during the 1980s but their organisational power and influence was identified as limited (Diers, 1989).

One view of the "true primary task" of HR since 1985 has been to keep the political outfall from the human consequences of cost-cutting (i.e. headcount reduction) to a minimum (Mant, 1995). It has also been pointed out that new technology applications and the emergence of new markets are opening up the possibility for many different work roles in newly emerging fields all around the world (Prahalad and Hamel, 1994). By the end of the 1980s, and into the early 1990s, a major restructuring of work, as great as that experienced during the industrial revolution, began to take place (Cooper, 1999). As a consequence of this, organisations are now required to reallocate knowledge, information, power and rewards in a virtual environment (Sparrow and Daniels, 1999).

Increase in the use of ICT pervades all levels of the organisation. Dunivan (1991: 13) however, noted that compared to accounting, finance, marketing and production, HR 'has come late to the (information systems) party' and ICT literacy of many HR specialists was reported as limited (Legge, 1989; Broderick and Boudreau, 1992). Research also found that unsophisticated ICT applications predominated in HRM (Martinsons, 1994) and the typical focus of ICT applications in HR was improved



efficiency rather than greater effectiveness or the creation of distinctive competencies (Kinnie and Arthurs, 1996, Martinsons, 1997). This situation does not appear to have changed, and different research studies support previous findings. In a study carried out by Temple in 2000, it was identified that HR departments lagged behind the rest of their organisations regarding technology implementation. Barely 1% believed they were at the leading edge and over 60% rating the HR side (of technology implementation) as marginal but functional (Temple, 2000). Tansley et al. (2001) replicated these findings and also found that the potential of ICT in HR was limited because those who were involved in the introduction of a new HR information system were unable to see the potential of an Enterprise Resource Planning HR system. They saw it as merely a tool to automate HR information (like an electronic filing cabinet) rather than transforming the HR function in the company.

At the same time, the relationship of HRM to contextual factors such as technology has been under researched (Jackson and Schuler, 1995). Not only does this miss an opportunity to exploit technology's potential with regard HR's strategic goals, but it has been increasingly recognised that regardless of the system or venue, there is evidence that, more often than not, the mismanagement of people, rather than the failure of technologies, prevents firms from realising the full potential of technological innovation (Snell and Dean, 1992; Martinsons and Chong, 1999). Given the billions spent on ICT each year, this presents an prime area for HR to supply an extremely valuable service (particularly to the organisation's bottom line). This will only happen however if HR itself can articulate ICT's potential, both strategically and tactically, and implement leading edge ICT capability and skills within its own sphere as an example.

Thus, it is increasingly recognised that 'with a solid understanding of the business and an advanced HRIS, there is great potential for HR to demonstrate value-added by working key organisational levers' (Groe et al., 1996: 60). In the practitioner literature, technology is viewed as a catalyst in the transformation of HR into a strategic partner with senior management and enables HR the time to devote to strategic matters as opposed to administrative ones (LeTart, 1997; Miller, 1998). According to Schwartz and Davis (1981) HR practices provide information and shape the behaviour and experiences of employees, thus becoming the means whereby cultures are created and sustained. It is also suggested that the creation of norms to support an organisation's business strategy depends on the careful design of the organisation's HR practices and making use of information technology to do this, is the enabler for improving their competitive position (Cabrera and Bonache, 1999). Kossek et al. (1994) further identify that an HRIS, implemented not just for administrative purposes but for strategic and business decision-making, changes the nature of HR work to encompass a greater information broker and decision support role. It also influences the HR and line manager relationship, by enabling HR to become more of a business partner as well as altering the power dynamics and communication patterns involving HR.

While, technology can alleviate the administrative "burden" and improve productivity, it can also be used to enhance relational exchanges with internal and external stakeholders. At the same time, it can play an instrumental role in HR's efforts to transform organisations (Snell et al., 1995), but only if HR focus on integrating ICT into all aspects of its strategy and operations. Schuler and Jackson (1987) identified three



firm-level competitive strategies as primary drivers of HR competitive objectives: cost leadership, quality/customer satisfaction and innovation. To achieve these strategic objectives, HR must first apply the strategy within the HR function itself and Broderick and Boudreau (1992) provide illustrations (Table 3.3) as to how HR can divide its work and address related decisions for each competitive strategy using computer applications. Although this table was developed in 1992, no later frameworks have been located that might provide more specific information for each point or content update to reflect the changes of the last decade.

**Table 3.3:            Matching Computer Applications with HR Competitive Objectives**

HR Competitive Objectives	TYPE OF COMPUTER		APPLICATIONS
	Transaction Processing/ Reporting/ Tracking Systems	Expert Systems	Decision Support Systems
<b>Cost Leadership: People Working Harder</b>	Reduces paper handling Standardises entry and reporting Increases processing accuracy Increases report turnaround Early warning of goal deviations	Decreases need for HR experts Helps spread database and training costs over entire workforce	Increases chance of innovations for HR cost controls
<b>Quality/Customer Satisfaction: People Working Smarter</b>	Increases time for HR quality initiatives Enables custom reports and data entry Increases awareness of HR information and can lead to its improvement	Enables line employees to make HR decisions informed by HR expertise Increases customising of HR programs Increases line satisfaction with/understanding of HR	Increases chance of innovations for HR quality/customer satisfaction
<b>Innovation: People Working with Vision</b>	Increases time for HR innovation Awareness of goal deviations sparks discoveries	Increase time for HR innovation Line understanding of HR sparks collaboration and discovery	Powerful support for discovery Shortens discovery process Fast testing, reporting and documentation of new finds

Source: Broderick and Boudreau, 1992: 12.



The use of ICT within HR may also provide it with a legitimacy which is derived from the function's ability to provide quantitative data and formal models. Thus a manager who is able to produce a computer-based quantitative analysis of training needs or of the need to fill certain vacancies, is arguably more likely to be taken seriously than one who can only justify their claim on the basis of their experience (Liff, 1997).

Lloyd and Rawlinson (1992) posit that the main focus, theoretically within HRM, points to new technology as being one of the causes of the change of management thinking. Thus, ICT has been put forward as one of the elements of the "transformation of society" that makes HRM necessary. They also suggest that one of the reasons for the lack of attention given to technology is that HRM is following in the tradition of personnel management whose role concerning the introduction of new technology tended to be limited to that of a mediator.

Continuous development of HR-related ICT is essential in order, not just keep up, but to achieve prominence on the organisational stage. Huber (1990: 47) explains that 'as the uses, capabilities and forms of communication and decision-aiding technologies increase in their range, researchers must reassess what is known about the effects of these technologies because what is known may change'. Unfortunately, in its search for the Holy Grail for HR to be a strategic Board level player, the HR literature is still relatively sparse on both the role and the impact that ICT has on the nature of the HR function and is seen mainly as a means of "removing" (as though it somehow disappears) low-level administrative activities. This is surprising since a number of researchers have identified this impact as both shaping the future HR function as well as enabling it to more effectively operate at a strategic level (Snell et al., 1995; Ulrich, 2000).

Snell et al. (1995) identified three ways in which ICT can impact HR – operational (reduce labour costs, increase productivity, institutionalise organisational memory), relational (remote access, enhance service levels, increase connectivity) and transformational (re-engineering work processes, build virtual teams, create network organisations). However, the literature on virtual HR is relatively new and untested (Lepak and Snell, 1998) and because of the advances in communication technologies a re-evaluation of HR practices is suggested (Straus et al., 1998) in order to gain maximum advantage from these resources. Extensive organisational use of ICTs has also produced negative impacts on individual user performance, such as techno-stress and information overload (Korac-Kakabadse et al., 2002). Again, HR is afforded an opportunity to demonstrate its value-added organisational contribution by introducing and implementing visible and measurable solutions to these problems, but there appears to be little interest by both academics and practitioners.

In addition, the interdependencies between the ICT inputs and outputs of the three organisational levels need to be assessed when addressing a particular perspective such as a strategic one. For instance, while the transaction inputting of compensation details may be regarded as a lower value operational activity, at Board level, its value for strategic analysis and decision making for future competitive compensation and financial planning, is critical. So too is the accuracy, timeliness and presentation format



of this one operational activity but these aspects, and other required expectations of senior managers, including HR, need to be communicated, understood and managed.

HR is an information-centred activity, and just as the HR professional must understand how to acquire and use this information for the benefit of the organisation, so with the devolution to line managers, HR also needs to be able to teach line managers how to better understand and manage their organisations using an HRIS. Timely and appropriate HR information through the use of ICT can also lead managers to ask more questions about how head count, turnover, skills inventories or performance ratings affect their unit's business objectives. Research has shown, however, that very few respondents appear to link the services provided by HR to the performance of the business (Broderick and Boudreau, 1992; Buyens and DeVos, 2001). Richards-Carpenter (1994) also recommended that if line managers were taught what to look for and how to interpret what they see, they would be able to make immense use of HR data.

Knowledge management is seen as an additional role for HR in which HR Managers need to become capable knowledge managers to play a major part in creating an organisation's vision and deploying strategies (Harrison, 1998). Within the knowledge environment, Harman and Brelade (2000) further identify that a key role for those in HR will be to equip others to develop and use information systems. This will include ensuring that ICT training is part of a wider training strategy, assessing current and future ICT training requirements, evaluating the effectiveness of ICT training and its outcomes and acting as a bridge between technical and people aspects of new ICT systems. It is also argued that in a knowledge environment, effective internal communications assume a strategic priority and as a key player in the realm of internal communications, part of HR's role will be to deliver this priority (Harman and Brelade, 2000). To be effective, communication is seen as getting the right information to the right person at the right time, and, rather than the information provider determining what is the right information and right time, these need to be determined by the work priorities of the individual concerned (Te'eni, 2001). How effective this proves to be, will be indicated by user satisfaction research directed at these outcomes.

#### **3.4.1.1      *Satisfaction with HR's Use of ICT***

Rather tellingly the focus of research on the use of technology in HR has been almost exclusively from the perspective of the HR professional themselves (for example, Broderick and Boudreau, 1992a; Kinnie and Arthurs, 1996, Elliott and Tevachualda, 1999) with little consideration as to those who were at the receiving end. Kinnie and Arthurs (1996) found in their research that the standards and expectations HR set themselves precluded any advanced uses of ICT to contribute to the goals of the organisation or changing the role of the HR function. Indeed, they also identified that low expectations regarding HRIS transaction applications have meant high levels of satisfaction and indicated that those within HR are unlikely to challenge these low expectations (Kinnie and Arthurs (1996). In addition, hierarchical level was found to be negatively related to the use and acceptance of HR information systems. The higher the position in HR, the more negative the attitudes towards HRIS since its use was viewed



as a clerical activity that will do little to enhance HR's reputation (Aydin and Rice, 1989).

It has long been recognised that inadequate consideration and management of human factors can hinder the use and effectiveness of information systems (Ives and Olsen, 1984; Legge, 1989) yet, previous research in this area has suggested that HR specialists consider it inappropriate or unnecessary to identify and address end-user concerns at the planning stages of implementing ICT (Templar, 1985; Clegg and Kemp, 1986; Legge, 1989;). However, it has also been specifically identified that with regard to the success of a computerised HRIS, system conditions such as training, documentation, presence of online HR applications, ease of use and perceived usefulness of the systems were the most important antecedents of success in line with other ICT research. In addition, the availability of internal support for users also represented a critical condition (Haines and Petit, 1997). Lack of line management involvement in developing an HRIS has also been found to constrain its success due to a missed opportunity to gain knowledge of the needs of their customers as well as to concentrate on the automating process, rather than the "informating" potential (Tansley et al., 2001).

To date, this is the extent to which this researcher can locate academic studies based on the use of ICT in HR and users' attitudes towards their needs and expectations being met. Given the potential of ICT to facilitate the achievement of HR as a critical value-added part of the organisation, rather than being the tool responsible for the demise of a separate HR function, HR appears to have ignored Legge's (1989) message and ICT appears to remain HR's "lost opportunity".

### **3.4.2 The Use of Internet Technology in HR**

The Web based economy is identified as having transformed the nature of business and created new rules, not least of all for the HR professional. Ulrich (2000) identifies that HR on the Web will change the look and feel of an HR department and in his model, he sees HR at the intersection of three sets of skills: business strategy, HR mastery and technology. 'Business mastery comes when the HR professional dialogues about how the rules of the Web-based economy affect a business. HR mastery comes from adapting HR practices, culture, and change to be both designed for and delivered through the Web. Technology mastery comes from understanding how to use the Internet, Intranet, and the Web to process information' (Ulrich, 2000: 25).

e-HR is seen as 'the overall HR strategy that lifts HR, shifts it from the HR department and isolated HR activities, and redistributes it to the organisation and its trusted business partners old and new. e-HR ties and integrates HR activities to other corporate processes such as finance, supply chain and customer service' (Karakanian, 2000: 35). Here the critical HR role is that of a service broker rather than a service provider. To achieve this however, it is recognised that what this philosophy demands is considerable on the part of HR and includes executive participation, and an excellent appreciation of the different new technologies and their uses. For instance, the use of the Internet in recruitment processes is likely to alter the interface between some internal and external labour markets and adjust present patterns of intermediation within them. In addition,



the conceptions behind current research in labour market theory may require re-thinking in the light of the use of the Internet (Kinder, 2000).

With regard to the use of Internet technology, five levels of HR deployment have been identified (LeTart, 1998):

- Information publishing – this level encompasses one-way communication of company information to employees such as company history, policies and procedures;
- Database enquiry – these applications provide one-way communication to employees, who can access a back-end database to provide employee specific information in response to user inquiries, such as work schedules or remaining holiday entitlement;
- Simple HR transactions – these allow employees to update personal information such as change of address or marital status, on HR databases thus replacing paperwork with transactions using electronic input;
- Complex HR transactions – these applications, in addition to database updates, involve application branching based on user input or employee file data, calculations or other internal processing of data, and multiple outcome transactions. Thus, the choice of employee benefits where the system would display only those benefits for which the user is entitled and when the selections are made, the system carries out all the necessary calculations and dissemination of information to the relevant parties to action and record the selection made;
- HR workflow over the Web – the Holy Grail for HR executives, which walk users through all of the steps necessary to complete whole processes rather than just discrete transactions.

In addition, these new organisational forms require a flexible and bespoke HR function. Thus, Sparrow and Daniels (1999) posit that the multi-dimensional approach to telework for instance, means there can be no “one-size fits all” approach to HRM in the virtual organisation and greater consideration of the context is required.

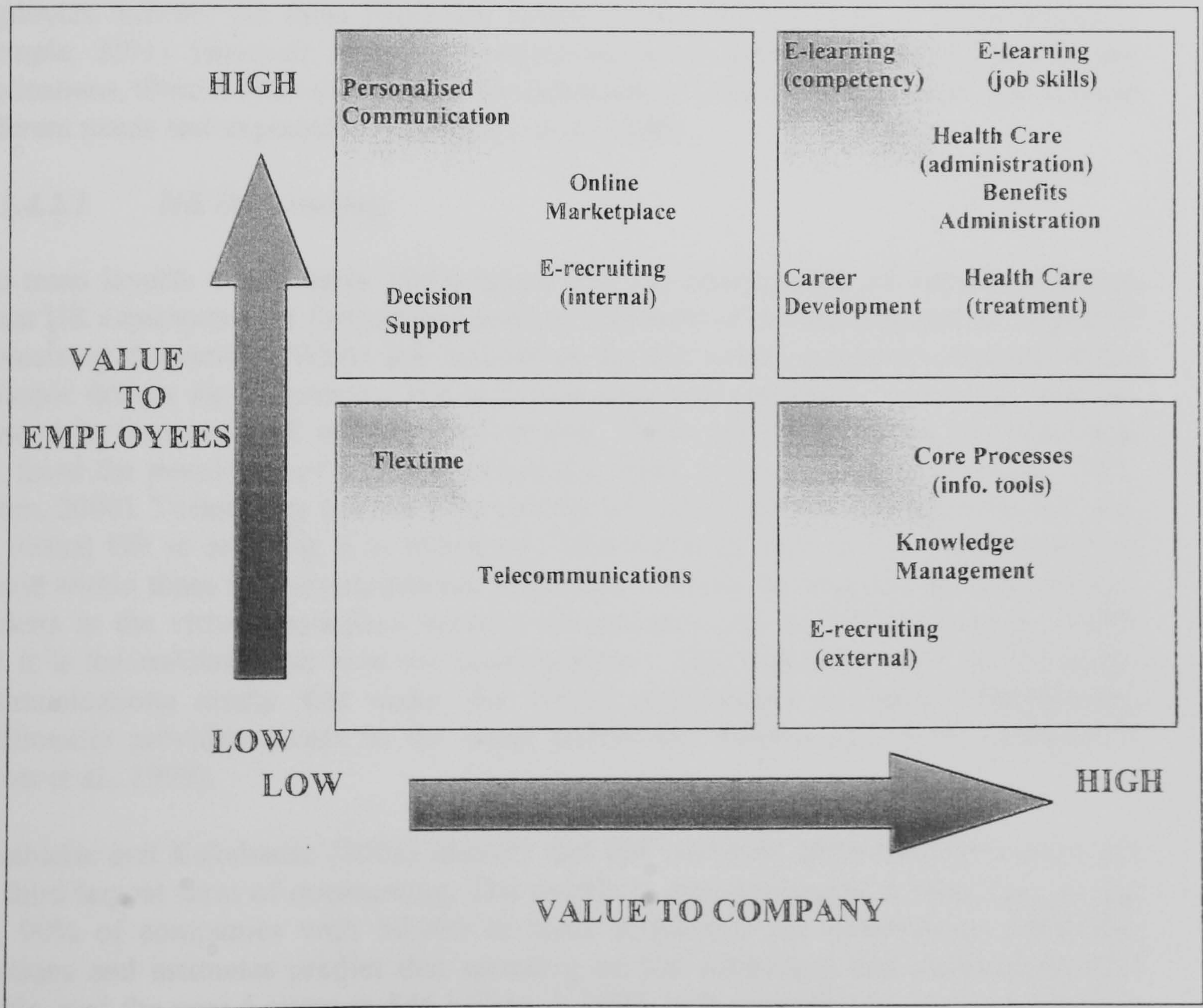
Technological innovations and new applications are appearing more and more frequently, and keeping track is time consuming and can be intellectually daunting. It is imperative however, that HR, as well as keeping abreast of changes and developments in HR activities, also becomes familiar with ICT developments and the possibilities which these could allow for superior HR delivery. XML (Extensible Mark-up Language) for instance, is a new computer standard that removes the barriers to data interchange, and is predicted to become the standard for e-commerce and a key e-business enabler (Schu, 2000). Another recent development has been the move or transformation from an HR Intranet site to B2B (business to business) HR portals which link a company to a vast universe of suppliers. For the average employee the real difference is the degree of personalisation and customisation possible. Thus, General Motors with the development of their ‘MySocrates’ HR portal, has created a role based environment whereby customised interactive information is delivered to different audiences with the aim of global coverage where “leader or manager self service” allows supervisors to see in one place everything they need to know about their



employees, from performance reviews, to compensation and benefits packages, from the courses they have taken to their history with the company (Jossi, 2001).

Internet technology that brought B2B and B2C (business to consumer) management to organisational consciousness has now further progressed to B2E (business to employee) management. Online people management is regarded as one of the three components of a comprehensive B2E program and the key drivers of maximising the benefits of the program and improving people management are greater employee freedom through self-service and mass customisation (Hansen and Deimler, 2001). Figure 3.4 illustrates a company intranet development which identifies HR's analysis of the benefits found to be most important to both the company and employees and thus, the areas to be implemented first. For internal customer satisfaction with the HR function to increase by its usage of Internet technology for HR applications, the users at each organisational level must feel that there are important benefits for them that are not being achieved through previous methods and that the benefits are designed for their specific needs. As Bowen and Greiner (1986) identified, this requires HR to acquire a service orientation and communicate with its internal customers to achieve service quality delivery and increased customer satisfaction (Greer et al., 1999).

Figure 3.4: How Company Benefits and Employees Desires Meet



Source: Hansen and Deimler, 2001: 99.



The rhetoric of Ulrich (2000) and others for HR to achieve technology mastery is admirable, however, the reality of HR department ICT usage and understanding of its potential is somewhat limited. In two US studies, of those HR departments who were connected to the Internet, many had never used the hypertext links and graphics of the Web (Greengard, 1997) and at the time of the research, the majority of HR respondents had never tried to get information from the Internet (Elliott and Tevachichulada, 1999). In the UK, the situation is mirrored. A lack of both vision and understanding of the potential of Internet technology by senior HR professionals - only 19% of delegates of the CIPD 2000 HR Forum said they believed e-business would have a large impact on the HR function (Pickard, 2000).

There is also little evidence of HR's recognition of Internet technology's possible contribution in relation to the changing HR/business role. The technology particularly creates the opportunity for a complex HR system linking and integrating the separate HR activities rather than contriving to perform them in isolation without linking decision making across functions (Elliott and Tavachulada, 1999).

The success of this however, is more likely if HR possess a good understanding of the intended end users, their tasks and the interdependencies between the two (Martinsons and Chong, 1999). Ironically, an HR Intranet is seen as a way of HR improving its communication with employees (Straus et al., 1998). Research also shows that employers indicate the most important reason to use HR software is communication (Temple, 2001). However, from the perspectives of all levels of users of HR Internet applications, there is little evidence of consideration or communication from HR of their different needs and expectations (Buckley et al., 1998).

#### **3.4.2.1      *HR Outsourcing***

The mass layoffs of the early 1990s meant that the restructuring of whole industries recast HR departments as formulators and implementers of downsizing and as targets of downsizing themselves. While HR focused on its aim to be considered strategic, three principle drivers for outsourcing HR activities were cost reduction, technology and the demand for improved HR service (McCormick, 1998), and the literature identified that HR faced the possibility of its demise (Schuler, 1990; Cunningham and Hyman, 1999; Tyson, 2000). Technology has been the enabler not just of virtual organisations but also for virtual HR in enabling it to effectively take a driving seat in the development of people within these new organisational structures. Without information and knowledge, workers in the virtual workplace become emasculated and ineffective (Cascio, 1999) and it is the revolution in how we communicate – the “seamless web” of electronic communications media that make the virtual organisation a reality. Outsourcing additionally provides access to the latest technology without having to purchase it (Greer et al., 1999).

Kakabadse and Kakabadse (2002) identify that HR activities and related processes are the third largest form of outsourcing. The market is also growing at a rapid rate. In the US, 90% of companies with 50,000 or more employees are outsourcing some HR functions and estimates predict that spending on US consulting and outsourcing will double over the next 5 years to \$46 billion in 2005, with spending on business process



outsourcing, the fastest growing segment of HR services will triple to \$9.7 billion in 2005 (IDC, 2001). The trend is also that organisations in the USA, Canada, Northern Europe and Australia have adopted revised forms of contractual relationships with employees, including limited term contracts, associate-like relationships and home based telework (Sparrow, 2000). Kakabadse and Kakabadse's (2002) research also reveals the top three reasons for outsourcing now are cost, being able to implement "best practice" and to improve service quality, with the satisfaction rating standing at about 57-58% for both the UK and US.

Generally though, there have been contradictory findings of the success of HR outsourcing. On one hand, it has been shown to reduce costs by providing economies of scale, increasing incentives, accountability and access to specialised expertise (Csoko, 1995) but on the other, HR outsourcing has been found to limit the development of distinctive competencies and to create inefficiencies because contractors lacked firm-specific knowledge and engaged in opportunistic behaviour (Ulrich, 1996).

Greer et al. (1999) however, suggest that outsourcing can improve the HR value chain and promote HR's contribution to the realisation of an organisation's objectives. How far the role of HR outsourcing achieves these aspects depends in large part on how senior executives view the roles of the HR function. In addition, research indicates that certain aspects of the relationship are key to success for HR – thus core competencies such as industrial and employee relations or performance management functions, are not outsourced as these require consistency, trust, an understanding of long-term effects of relationship and control of confidential information (Greer et al., 1999).

### **3.4.3 Section Summary**

Information and communication technologies have opened up remarkable organisational possibilities for new markets, work roles and ways of operating (Prahalad, 1994; Sparrow and Daniels, 1999). However, in spite of HR's quest for corporate strategic recognition and the increasing recognition of the importance of the 'human' aspects for ICT success (Snell and Dean, 1992; Martinsons and Chong, 1999), HR have been slow to exploit the possibilities of new technologies (Martinsons, 1994; 1997; Temple, 2000, Tansley et al., 2001). There are pockets of the ICT in HR literature which acknowledge its strategic potential (Kossek et al., 1994; Snell et al., 1995; Cabrera and Bonache, 1999), but the strategic HR literature is largely silent.

The literature also exposes a number of HR weaknesses in relation to ICT implementation. Thus, there has been a consistent lack of communication and understanding of end-user expectations and concerns (Templar, 1985; Clegg and Kemp, 1986; Legge, 1989; Buckley et al., 1998) as well as a lack of line manager involvement (Tansley et al., 2001). In addition, HR appear to set themselves low expectations and preclude any advanced uses of ICT, so that those in HR indicate satisfaction with the technology introduced (Kinnie and Arthurs, 1996) and research has identified that the higher the position in HR, the more negative the attitude towards ICT because they did not perceive it to increase HR's strategic value (Aydin and Rice, 1989).



The pace of organisational and technical change requires HR to demonstrate functional pro activity and flexibility coupled with a 'mastery' of both technology and business skills (Ulrich, 2000). This appears from the empirical literature, however, to be, as yet, still an aspiration. The market for outsourced HR services, using Internet technology, has expanded at a rapid rate (Kakabadse and Kakabadse, 2002), yet the costly failure of acknowledged leading-edge companies such as Exult and BP to achieve internal user satisfaction and uptake from an outsourced HR service provision (Higginbotham, 2001), demonstrate that HR's identified weaknesses in the ICT field have potentially damaging HR practitioner implications.

### **3.5 SYNOPSIS OF LITERATURE REVIEW AND IDENTIFICATION OF RESEARCH GAP**

The literature has shown that while there are many influences on role expectations and extensive research undertaken in this general area, there has only been minimal consideration given to internal customer expectations at their different levels in organisations (Brooks et al., 1999). While organisational context has been identified as important in shaping individual expectations, there has been little consideration given to the conditions under which the role relationships exist (Rodham, 2000). Internal marketing research has on occasion placed too much emphasis on translating external findings to the internal situation. In addition, within both literatures, the focus has often only investigated the customers' expectations and perceptions, with only limited research having been undertaken which considers and compares the suppliers' viewpoint at the same time (Luk and Layton, 2002).

Within the ICT field gaps have been noted in research on the impact of ICT and the individual (Palmquist, 1992; Clegg et al. 1997; Torkzadeh and Doll, 1999) as well as on the human aspects of ICT use (Clemons and Row, 1991; Clegg, 1994). Internet technology is a relatively recent phenomenon and user satisfaction research is still developing, with much emphasis being placed on testing established usage and satisfaction theories from the mainstream ICT literature, but even here there is only limited empirical research available from an internal work-related perspective.

The HR function continues to examine and debate its changing role within the organisation, yet there are many differences of opinion as to what that role should be (Conner and Ulrich, 1996). At the same time little empirical research has been done on the role of HR or consideration of different levels of HR and the internal customers they serve (Conner and Ulrich, 1996; Clark et al., 1998; Bacon, 1999). It has also been demonstrated that HR's customers' requirements are changing and that the function needs to focus on the internal customers' role expectations (Ulrich et al., 1997; Barney and Wright, 1998). However, the literature is largely silent on comparative investigations on the differing perceptions of expectations between HR and their customers of their relationship and levels of service quality.

While ICT has been clearly identified as having an important role to play in HR at all levels (Snell et al., 1995; Groe et al., 1996), there has been only limited consideration of its impact on HR service quality provision and resulting levels of satisfaction. In addition, most of the HR ICT literature focuses on use by HR professionals rather than



by their customers or, similar to the approach of the HR strategy literature, highbrow conceptions of technological mastery, which research has demonstrated show little relation to either HR capability or actions. The literature on 'how' HR will achieve this is slim indeed.

There have been a number of issues, both in the general organisational literature and identified as an HR weakness, which directly appear to influence internal customer/user satisfaction, which are also under-researched in the HR literature. Communication, training, involvement of customers and internal marketing by HR are empirically lacking and there is no substantive theory or models on which to base further studies. For example, Korac-Kakabadse et al., (1999) identify that in order to effectively choose and manage computer-mediated communications, there is a need for understanding how people in organisations generate communicative interactions, in addition to how they are impacted by them. Thus, researchers should explore how organisational members perceive CMC and what they want from it, rather than what the technology can do for the CMC providers. The context implicit within these comments may also influence perceptions and needs, but there is an absence of HR context specific research into these related areas and also into the interconnections and the conditions under which these connections are likely to exist.

### 3.6 CONCEPTUAL FRAMEWORK

The previous section highlighted that the focus of this exploratory study, both as a whole and of each of its respective parts, is one which currently presents an untapped research focus and leads to the following overarching Research Question:

**RQ1: What is the impact of the use of Internet technology for HR applications on internal customer satisfaction with the HR function?**

The first research question examines:

- i) whether there is any impact on managers' satisfaction with the HR function as a result of using an Internet application supplied by HR;
- ii) what factors may affect the expectations and resulting level of perceived satisfaction/dissatisfaction with the HR function;
- iii) the impact that the outcome of ii) might have on managers' perceived satisfaction with the HR function;
- iv) any differences in responses between managers and HR suppliers.

From the Research Question and the theoretical focus proposed to investigate this phenomenon, the conceptual framework, which is the current version of the researcher's map of the territory being investigated (Miles and Huberman, 1994), is presented in Figure 3.6.

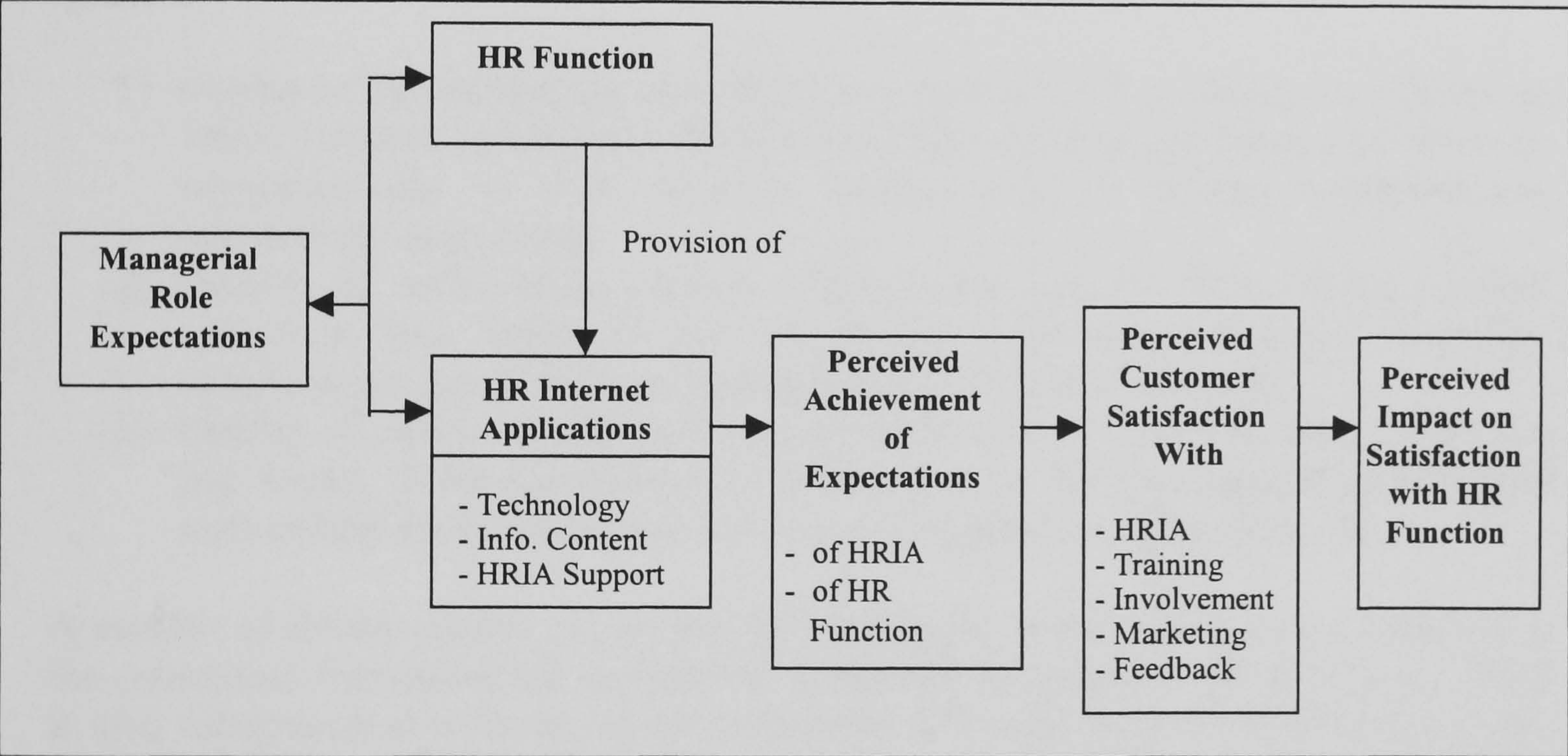
The elements included in the conceptual framework have been drawn together from the literature review. Using role theory to underpin the research, the relationship between the internal customer, the HR function and its Internet based services will be based on



role expectations at the management level. Thus, both HR managers and Operations Managers will have expectations of each other concerning the respective provision and use of the HRIA. Of particular interest, which has been identified in previous research (Brown and Swartz, 1989; Hubbert et al., 1995; Luk and Layton, 2002), will be the nature and scope of any differences between the two sides.

As the role theory, internal marketing and user satisfaction literatures have shown, these expectations are likely to be influenced by a number of factors. For example, these may include the incumbent's own role requirements which in turn may be affected by the amount of discretion/prescription in their role (Kakabadse and Kakabadse, 2000), or the level of any role conflict and ambiguity being experienced (Schuler, 1979). In addition, customer expectations may be further shaped by the internal customers' role understanding, based on experience and familiarity with the service provider (Webb, 2000).

Figure 3.5: Conceptual Framework for Research



Source: Compiled by author

While some research into internal customer satisfaction has used models based from the mainstream marketing literature e.g. SERVQUAL, this has not directly related to the requirements of the internal customer (Brooks et al., 1999). Although Zeithaml et al.'s (1993) model of the nature and determinants of customer service quality expectations contains some factors to possibly be considered, this also has an external focus and. despite their assertion that the model applies to the internal SQ situation, there are factors that would not apply and perhaps some others which ought to have been included. In addition, any issues concerning the centrality of a support tool or a technology providing the service are not addressed. The relationship between expectations and satisfaction from the disconfirmation-of-expectations model (Oliver, 1980; 1997) is an important consideration within the conceptual framework. The primary research will explore the effect of expectations being exceeded, met or not



achieved, the reasons for these perceptions and whether this has any impact on managers' satisfaction both with aspects of the HRIA and ultimately, the HR function

From the ICT and CMC literatures, several theories and models of customer use and satisfaction with ICT have been considered, such as the Theory of Reasoned Action (Davis, 1989), Technology Acceptance Models 1 (Davis, 1989; Adams, Nelson and Todd, 1992; Subramanian, 1994) and 2 (Venkatesh and Davies, 2000), as well as Media Richness Theory (Daft, 1984; 1986), Task-Technology Fit (Goodhue, 1985). None however, fully encapsulate the requirements for this exploratory research, although they provide a number of factors which could be included within the interview guides. Similarly, some of the models and theoretical bases (for example, Fondas and Stewart, 1990; 1994) either omit or only consider the contributions of the internal customer and technology as peripheral and thus again, for the purposes of this research, there is no specific theory to test which meets its objectives.

From the review however, it is possible to identify three key areas with which to assess the internal customer satisfaction with the Internet services provided by the HR function:

- 1) Quality of the technology (described as system quality in DeLone and McLean, 1992; Threlkel and Kavan, 1999): this includes (but is not limited to) security, navigation/ease of use, training, speed, ease of access, customisation, interactivity, enjoyment;
- 2) Quality of information content (Wang and Strong, 1996; Wang, 1998): comprises (but again is not limited to) usefulness, currency, reliability, completeness, timeliness and appropriateness for user needs; and
- 3) Quality of Internet application support service (Doll and Torkzadeh, 1999; Liu and Arnett, 2000; Govindarajulu, 2002): such as back up support mechanisms such as help desk, call centres and speed of response (section 2.4.6: 48).

A number of themes appear across the different fields of literature and are included in the conceptual framework for exploration. Customer involvement (Brooks et al., 1999) is also recognised as a factor, which influences ICT user satisfaction (Baroudi et al., 1986; Doll and Torkzadeh, 1999; McKeen et al., 1994; Hartwick and Barki, 1994; Lin and Shao, 2000). However, the HR literature identifies that there has been a consistent lack of communication and understanding of end-user expectations and concerns (Templer, 1985; Clegg and Kemp, 1986; Legge, 1989; Buckley et al., 1998) as well as a lack of line manager involvement (Tansley et al., 2001) and thus, it is likely that expectations between HR and their internal customers may be different. In addition, managing user expectations and keeping them realistic (Ginzberg, 1984; Szajna and Scammell, 1993) combined with effective communication, feedback and internal marketing (Rockhart and Flannery, 1983; Kakabadse, 1991; Szajna and Scammell, 1993; Kirsner, 1999) are all posited as factors which influence ICT user satisfaction.

The conceptual framework proposes that the perceived achievement of customer expectations with the HRIA may influence satisfaction with the HRIA, and this in turn will impact managers' satisfaction with the HR function. The intention behind the framework however, was to keep it quite general so the exploratory nature of the



research wouldn't be artificially constrained by concentrating on factors which for the specific organisation and context were not the primary consideration. Thus, participants would be given the opportunity to indicate preferences in a range of open questions, as well as the chance for both researcher and interviewee to raise and explore issues as they arose in the discussion.

### **3.7 SUMMARY OF LITERATURE REVIEW CHAPTERS**

Chapters Two and Three have examined the theoretical and empirical work relating to the fields of role theory, internal marketing, ICT and the HR function as they are relevant to the focus of this research. Each construct has been broadly defined at the general organisational level and further elucidated with regard to associated dimensions considered important by researchers. The literature on the HR function has then provided the context for consideration of the constructs and sub-factors and their application within the HR field. A section summary noting key points of interest for this research, connections and themes appearing between the different areas and an overall critique has been provided for each discipline. A synopsis of the overall literature review highlights the relevant research gaps, focusing on the specific topic for this study. The research questions and associated issues to be explored are identified from the research gap and the conceptual framework is presented and explained.

The next chapter describes the methodology of the research and the chosen philosophical perspective, research strategy and research design are defended in light of the research topic and research question. In addition to the data collection and analysis sections, the details of the pilot study, including findings and learning points, are reported.



## **CHAPTER FOUR: METHODOLOGY**

### **4.1 INTRODUCTION**

This chapter introduces realism as the philosophical approach selected for the research. The identification of a philosophical approach is important in the sense that it reveals the researcher's assumptions about the nature of the phenomenon under investigation (ontology), and the ways in which it is deemed possible to gain knowledge of this reality, whatever it is understood to be (epistemology). In addition, there is a strong relation between the chosen philosophical stance and the choice of a research strategy. Research methods are not self-valid but depend on epistemological justification. Indeed, the selection of a method is posited to be secondary to the adoption of a philosophical paradigm (Guba and Lincoln, 1994).

From reviewing the philosophical approach through the research issue, consideration is given to the methodological choices, and a rationale is given for the adopted research strategy and design. A single case strategy was selected and, as part of the process of verifying the appropriateness and quality of the data collection and data analysis methods, the findings and learning points of the pilot study are presented. This is followed by explanation of the chosen strategies for data analysis together with the approach for ensuring the achievement of optimum quality and rigour throughout the whole research process.

### **4.2 PHILOSOPHICAL PERSPECTIVE**

#### **4.2.1 Overview of the Approach**

As an exploratory qualitative study, this research seeks to gain a deeper understanding of the social dimensions associated with internal customer satisfaction, at the managerial level, and the impact that a support tool, such as an HR Intranet, can have on the resulting satisfaction with the service provider, the HR function. It also aims to extend knowledge about the use of role theory in identifying the nature of any linkages between expectations and satisfaction within the customer/supplier relationship in the HR field. The approach is to extend and build theory. From the findings of the preliminary study, issues have been identified which are explored in the main study with the aim to identify patterns that provide a model and explanation of the effect that the use of HR Internet applications may have on managers' satisfaction with the HR function and how it may be possible to increase these satisfaction levels.

#### **4.2.2 Ontology and Epistemology**

Each philosophical perspective makes its own ontological and epistemological claims and proposes a specific approach, or set of approaches, to social enquiry. Consequently, researchers, taking account of the nature of the phenomenon they are choosing to study and the influence of their own view of what constitutes 'reality', have to consider which



is the most appropriate philosophical approach and design the research accordingly so that it is also in line with the respondent's view.

Approaches range from the scientific and objective, classified as positivism at one end, to the subjective, categorised as interpretivism and constructionism at the other. Thus, the positivist paradigm assumes that there is an objective truth existing in the world that can be revealed through the scientific method. The objectives of positivist enquiry often include the measurement and analysis of causal relationships between variables that are consistent across time and context (Perry et al., 1999). Positivist studies serve primarily to test theory, in an attempt to increase predictive understanding of phenomena (Orlikowski and Baroudi, 1991). The diametric opposite is that of interpretative and constructivist (phenomenological) approaches where there is no precise objectivity or reality which can be discovered by researchers and replicated by others (Walsham, 1993). Rather, constructivists see reality itself as a construction of the researcher (Mir and Watson, 2001). Interpretivists attempt to understand phenomena through accessing the meanings that participants assign to them and reject the possibility of an "objective" or "factual" account of events and situations (Orlikowski and Baroudi, 1991).

Between the two philosophical extremes lie several alternative schools, many of which have been born out of a reaction to the traditionally dominant positivist approach. For this research, the chosen philosophical approach is one of these hybrid positions, realism, which is a relatively recently emerging philosophical perspective 'whose objective is to transcend the polar opposition between positivism and interpretivism' (Benton, 1981:13).

#### **4.2.3 Realism**

A realist approach to social enquiry is described in the work of philosophers like Keat and Urry (1975), Harre (1986) and Bhaskar (1978, 1986, 1989). Realism is essentially summarised as a 'common-sense ontology in the sense that it takes seriously the existence of things, structures and mechanisms revealed by the sciences at different levels of reality' (Outhwaite, 1987: 19).

Realism posits that there exists a world independent of our knowledge of it, which is structured and layered. Bhaskar (1978) claims that ontologically, the world consists of three domains (or layers): the empirical (events that can be observed), the actual (events which exist whether or not they can be observed) and the real (processes that generate events). Bhaskar (1978) presents the domain of the real as being greater than or equal to the domain of the actual, which is greater than or equal to the domain of the empirical (Collier, 1994). Thus the real layer is the deepest and comprises generative structures and mechanisms that drive the other layers. The aim of realism is to explain observable phenomena with reference to these underlying structures and mechanisms (Blaikie, 1993). The realist objective is to uncover these deep causal structures by expressing tendencies of things.

With respect to the three domains, adopting such a multi-level ontological perspective allows the assumption that contexts, meanings, responses and behaviours are real, and



as Partington (1998: 12) notes that 'while some of their elements are revealed as observable events, some may be accessible only through the subjective accounts of managers and other organisational actors, and still others may only be uncovered through researcher speculation over apparent causal tendencies, demanding further enquiry and verification'.

In addition, for the realist, there is a distinction between transitive and intransitive - where 'things exist and act independently of (human) descriptions' (Bhaskar, 1978: 250) - objects of science: between our concepts, models and the real entities and relations which make up the natural and social world (Outhwaite, 1998). Thus, the agents' conceptions 'are not external to the facts described but make up part at least of the reality of those facts' (Outhwaite, 1998: 283). Consequently, as in this research, the satisfaction achieved from the relationship between the HR function, its use of Internet technologies, and its customers cannot be adequately described except with reference to the participants' perception of their situation.

Bunge (1993) posits that the realist comprehends that perception is limited and the truth is hard to identify because the way we perceive facts, particularly in the social realm, is influenced by our beliefs and expectations. Because of this, the realist is inclined to adopt a critical or sceptical attitude and perception must be corrected and supplemented with the construction of concepts, hypotheses and theories referring to such imperceptible things as social networks (Bunge, 1993).

Realism 'is concerned with developing methods appropriate to the particular subject matter of the social sciences' (Blaikie, 1993: 58). Thus, from an epistemological perspective, realism is "methodologically open" in the sense that it does not define a specific method. Hartley (1997), however, argues that techniques are not of themselves positivist or phenomenological - it is how they are used and how the data are interpreted that defines the epistemological assumptions on which they are based. Realist epistemology is based 'on the building of models of such mechanisms such that, if they were to exist and act in the postulated way, they would account for the phenomenon being examined' (Blaikie, 1993: 98). Further developments of such models following field experience enables theory to be both built or extended.

Specifically, in management studies the objective of the research may be essentially explanatory (Whitley, 1984: 372):

'...research goals and orientation may be primarily intellectual and explanatory so that the main concern is to understand and explain managerial practices and activities as part of more general phenomenon such as changing patterns of the organisation....The basic focus here is to provide better explanations of theoretically significant phenomenon....the research goals and orientation may be primarily practical in the sense of contributing to the change and improvement of present practices'. Realist research is always a posteriori - knowledge derived from experience (Sayer, 1992).

While the realist approach has been supported and argued in the marketing literature (Hunt, 1992; Peter, 1992; Healy and Perry, 1998 and 2000), in the field of information systems this is not the case. As Galliers (1997) points out, American research has



usually followed a positivist approach (which is very rigorous but with limited practical relevance) and European research, a more interpretivist focus has been taken which tends to be practically valuable but has less “scientific” rigour. As the balance between the high levels of subjectivity of interpretivism and the lack of analytical profundity within the positivist approach, the realist focus enables an in-depth study of the mechanisms that explain social phenomena. Indeed, Costello (2000) argues that in dealing with technologies, the material nature of the world and the inextricable connections between the social and technical requires a realist methodology.

The dominant epistemological approach in the HR literature is positivism (Clark et al., 1998) with its realistic ontology and concern to explain and ‘predict what happens in the social world by searching for regularities and causal relationships between its constituent elements’ (Legge, 1995: 308). This focus is explained by the overriding desire to present HR as a strategic contributor and concern with examining those who determine and implement strategy of which the outcome for HR managers is more than anything, certainty tied to prescription (Mabey et al., 1998). The literature has also shown, however, a lack of substantive research on HR’s relationship with its internal customers. The realist approach, much more strongly supported in the marketing literature, enables a deeper understanding of the underlying mechanisms and social structures that generate social phenomena. Thus, this study also aims to deliver a methodological contribution to existing HR and ICT research.

## **4.2 METHODOLOGICAL CHOICES AND RESEARCH DESIGN**

According to Hamilton and Ives (1992: 43) ‘the key to good research is not just in choosing the right research strategy, but in asking the right questions and picking the most powerful method(s) for answering the questions given the objectives, research setting and other salient factors’. Methodology focuses on how we gain knowledge about the world and for management research to progress, it is important for researchers to assess the methods they employ in collecting and analysing the data, as the impact of management studies depends upon the appropriateness and rigor of the research methods chosen (Scandura and Williams, 2000).

### **4.3.1 The Exploratory Approach**

This research is interested in investigating a relatively new phenomenon, the impact which a support tool, the HR intranet, can have on the satisfaction with the service provider, and in encompassing the literature and theories within three main fields (HR, Marketing and ICT), there is no specific theory testing since a range of theories have been identified as possibly relevant. Thus, an initial rationale and direction underlies this exploratory study (Yin, 1994). The aim of the research is to achieve, through exploration and description, a deeper understanding of the phenomenon and its context leading to possible explanations as to what influences the situation and outcome concerning managers’ use of an HR intranet.



### **4.3.2 Research Strategy**

The research logic to be taken is that of retroduction, which is appropriate for a realist study. Blaikie (1993) outlines the retroductive process of three distinct phases. The first begins in the domain of the actual, with observed connections between phenomena using empirical data. The task being to explain why such connections or relationships occur. The second stage is identified as 'the process of generating hypothetical models of the structures and mechanisms which are assumed to produce observed phenomenon' (Blaikie, 1993: 195). This produces a rational explanation of the (non-random) patterns found in the empirical study, this analysis being interpreted by the researcher based on experience and knowledge of previous cases or institutions (Costello, 2000). Further research will follow to check critically what is thought to be known. Known structures and mechanisms may be borrowed from other fields in the construction of these models, which is appropriate to this study which encompasses the domains of HR, ICT and marketing. However, as Zinkhan and Hirschheim (1992) acknowledge, because the models represent only what we know of the world and such knowledge is inherently flawed, they do not exactly duplicate the world as they are composed of abstractions and oversimplifications.

The impact of Internet technology on satisfaction with the service provider is an emerging but currently little known phenomenon. Therefore, this strategy was deemed to be most appropriate to the realist philosophical approach, the nature of the research question, and the purpose of the study which, in keeping with process of retroduction, is to build a model that identifies the possible factors that may influence the satisfaction of managers with the HR function from their use of the HR Intranet.

### **4.3.3 Choice of Case Study Approach**

The selected method for this research is the use of a single case study. In relation to exploratory research where the focus is on the richness of the insight, the relative lack of depth implied by a multi-case strategy can favour a single case approach (Yin, 1994). In the medical field, doctors' understanding is largely built on their ability to learn from single cases (Gummesson, 1991), while seminal research, such as that presented by Hofstede (1980), was also based on a case study of one organisation. A single case design enables the researcher to investigate a phenomenon in depth, producing a rich description and revealing its deep structure (Cavaye, 1996). The purpose of a single case can be description (Yin, 1989), discovery in enabling theory building by developing and refining concepts (Pettigrew, 1985) and theory testing (Markus, 1989). Single case study research is deemed to be most useful at the outset of theory generation or late in theory testing (Benbasat et al., 1987). This research is at the early stages of theory building as there is currently no single theory which could be tested that considers the impact which a new technology may have on the satisfaction of the users with the technology provider. There is also no locatable research that specifically addresses the contextual perspectives of the internal organisation, managerial level and HR focus relevant to this study.



As Hartley (1997) notes, a single case study can provide valuable information about the research question but the researcher should recognise that the disentangling of what is unique to the organisation from what is common to other organisations, can be difficult. Within the single case, it is recommended that the researcher can seek out possible contrasts, from different areas or departments of the business, for instance (Hartley, 1997). For example, an organisation may provide the setting, but within that setting there may be several instances of the phenomenon present (as in this research, there are different divisional HR Intranets located in the case organisation). Thus, contrasting observations from several units of analysis within one case can create and highlight theoretical constructs (Yin, 1994; Eisenhardt, 1991). Stake (1994) further identifies that generalisations from a single case are more to be trusted than from generalisations from differences between any two cases, proposing that 'illustration as to how the phenomenon occurs in the circumstances of the single exemplar can be valued and trustworthy knowledge' (Stake, 1994: 242).

The research question also lends itself to a case study approach in keeping with Yin's definition of a case study being an empirical inquiry that investigates a contemporary phenomenon in its real life context, the boundaries between phenomenon and context are not clearly evident, multiple sources of evidence are used and the intervention being evaluated has no clear, single set of outcomes (Yin, 1994). The focus on the context in which the phenomenon takes place is an important one in case study research and the role of historical analysis, for instance, can be one of providing an understanding of 'the layers of behaviour that no longer fulfil any useful purpose but nevertheless remain in existence, part of corporate culture' (Gummesson, 1991: 96). It is further claimed that focusing on individual behaviour without consideration of the context in which it occurred runs a serious risk of misunderstanding the meaning of events. As Mischler (1979) notes, meaning is always within context and contexts incorporate meaning.

The majority of HRM research has relied upon the use of a limited number of methods in particular, the case study and survey (Hallier, 1993). The emphasis throughout, however, has been on the application of a traditional research paradigm using large samples and multivariate statistical analysis (Guest, 2001). The case study has been singled out as a prevailing method by which strategic HRM theory development will progress (Hendry and Pettigrew, 1990; Boxall, 1992). Furthermore, Guest and Peccei (1994) argue that the effectiveness of HRM is best analysed by asking key individuals for their assessments rather than focusing on quantitative measures. Guest (2001) extends this by arguing that there is a need for more research which compares the responses of managers, those who are responsible for developing and overseeing HR practices with those who experience them to identify levels of agreement about the operation of the practices.

ICT researchers have also much discussed the merits of the case strategy. Benbaset et al. (1987: 369) point out that such an approach is suitable for investigating 'certain types of problems; those in which research and theory are at their early, formative stages; and sticky, practice-based problems, where the experiences of the actors are important and the context of action is critical'.



Yin (1992) identifies that theory has played an explicit role among case strategies in establishing the expectations for analysing a case study's empirical evidence, but argues that the term 'theory' covers more than causal theories. Rather, 'theory' means: the design of research steps according to some relationship with the literature, policy issues, or other substantive sources. 'Good use of theory helps to delimit a case study inquiry to its most effective design; theory is also essential for generalising the subsequent results' (Yin, 1992: 98).

Case research aims to contribute to knowledge by relating findings to generalisable theory (Easton, 2000). One of the strengths of case research, which was particularly important for this exploratory study, is that it allows for the examination of a large number of variables and different aspects of a phenomenon, while these have not been previously determined (Cavaye, 1996). Thus, it is valuable in developing and refining concepts for further research. In generalising from the case study using existing literature to assess the extent of generalisable findings is important (Eisenhardt, 1989). 'Overall, tying emergent theory to existing literature enhances the internal validity, generalisability, and theoretical level of theory of case study research' (Eisenhardt, 1989: 545).

Exploratory case studies are also suggestive and instructive (not definitive and conclusive), broad based searches for pertinent information and a disciplined attempt to identify themes and patterns embodied (Eisenhardt, 1989). They are a means to an end, one aspect of an ongoing effort to understand complex social phenomena, particularly those that have not been the subject of extensive empirical examination (Ogawa and Malen, 1991).

Exploratory case study research is also appropriate for a realist philosophical perspective as is the single case (Easton, 2000). While for the positivist, a single case can tell you only very little and is not generalisable to the population, for the realist one case is enough to generalise – not by generalising to any population but to a real world that has been uncovered. Thus, one case can create and/or test a theory to the extent that it uncovers reality (Easton, 2000). In addition, Easton (2000: 215) argues that the value of the case study is minimal to the interpretivist for 'the depth that they offer is a snare and a delusion. What is required instead is multiple interpretations of the same "text"'.

Tsoukas (1989: 555) describes realist studies as being 'either exploratory or explanatory in nature, and they usually have utilised, though this may not be exclusively, the case-studies form'. In addition, Layder (1993: 16) states that 'a central feature of realism is its attempt to preserve a scientific attitude towards social analysis at the same time as recognising the importance of actors' meaning and in some way incorporating them in research'. Thus, with their different roles and perspectives (from either the HR customer or the supplier side) and the use of multiple data sources, there are many layers and views about the same reality, links are traced out over time, digging deeper and following through the actual to the real domain. The process is reactive and may require going back over old ground in a different way – 'there are acts of creation and retrodution to be carried out' (Sayer, 1992: 107). The qualitative case study approach thus allows an exposure of these perceptions to a degree that would be difficult from a quantitative survey. In constructivist research, however, the participant's perceptions are



being studied for their own sake, for the realist, these perceptions provide a window on to a reality beyond those views (Healy and Perry, 2000).

#### **4.3.4 Criteria for Judging the Quality of Realism Research**

Healy and Perry (2000) have developed six criteria for judging the quality of realism research which are appropriate for the focus of this study. Table 4.1 provides an overview of the different factors and compares them to other philosophical perspectives.

The first criterion is ontological appropriateness. This refers to the range of worlds between paradigms – thus, positivism operates in the objective world one and constructivism operates in subjective world two, while that of realism is world three where, according to Popper's terms (Magee, 1985), the realist research 'is dealing with complex social phenomena involving reflective people' (Healy and Perry, 2000: 121). This research, investigating individual and departmental expectations and satisfaction outcomes, meets this standard.

The second criterion is also ontologically based, and concerns the search for contingent validity. Thus, while positivist research focuses here on internal validity and the manipulation of controlled dependent and independent variables (Lincoln and Guba, 1985), the social phenomena of realist research is fragile and causal impacts are not fixed but contingent on their environment. In constructivist research, there is no benchmark to judge quality due to existence of multiple realities (Lincoln and Guba, 1985). Validity is, therefore, 'about generative mechanisms and the contexts that make them contingent' (Healy and Perry, 2000: 121). The aim in this research is to develop a 'family of answers' (Pawson and Tilly, 1997: 152) which covers different reflective participants and several contingent contexts and consequently meets this criterion.

The third standard focuses on the epistemology of the research. While, positivists are value-free and constructivists are value laden, realists are value aware and a participant's perception is a window to reality through which a picture of reality can be triangulated with other perceptions. Thus, realism relies on multiple perceptions about a single reality and these perceptions 'involve triangulation of several data sources, and of several peer researcher's interpretations of those triangulations' (Healy and Perry, 2000: 121). This research has used multiple sources of evidence as well as peer and supervisor involvement in checking the research analysis.

The fourth item concerns methodological trustworthiness and refers to the extent which the research can be audited by developing a case study database and by the use of quotations in the written report (Healy and Perry, 2000). The researcher has used a qualitative software program (NVivo 1.3) and Word, Powerpoint and Excel programs to fully document every stage of the research and provide a clear audit trail (Ogawa and Malen, 1991) of the process that lead to the findings and conclusions, and is available for others to follow. Healy and Perry's (2000) penultimate criterion is analytic generalisation (Yin, 1994) or theory building. Realist research, because of its complexity, should primarily be theory building.



Table 4.1: Quality Criteria for Case Study Research Within the Realist Paradigm

Comprehensive criteria to judge validity and reliability							Qualitative Market Research: An International Journal	
Marilyn Healy and Chad Perry							Volume 3 · Number 3 · 2000 · 118-126	
a this paper (i)	research (ii)	paradigm (iii)	research (iv)	or naturalist research (v)	research (vi)	research (vii)		
b Major author/s			Yin (1994)	Lincoln and Guba (1985)	Miles and Huberman (1994)	Chia (1997); Neuman (1997)		
c Ontology								
1 Ontological appropriateness	Research problem deals with complex social science phenomena involving reflective people (world 3 in Magee (1985))	Selection of research problem, for example, it is a how and why problem		(World 2 in Magee (1985))		(A single tangible reality consisting of discrete elements (World 1 in Magee (1985)))		
d 2 Contingent validity	Open "fuzzy boundary" systems (Yin, 1994) involving generative mechanisms rather than direct cause-and-effect	Theoretical and literal replication, in-depth questions, emphasis on "why" issues, description of the context of the cases	Internal validity	"Truth value" or credibility	Internal validity/credibility/authenticity	Internal validity		
e Epistemology								
3 Multiple perceptions of participants and of peer researchers	Neither value-free nor value-laden, rather value-aware	Multiple interviews, supporting evidence, broad questions before probes, triangulation. Self-description and awareness of own values Published reports for peer review		Neutrality or confirmability	Objectivity/confirmability	Value-free, one-way mirror (Guba and Lincoln, 1990)		
f Methodology								
4 Methodological trustworthiness	Trustworthy – the research can be audited	Case study database, use in the report of relevant quotations and matrices that summarise data, and of descriptions of procedures like case selection and interview procedures	Reliability	Consistency or dependability	Reliability/dependability/auditability	Reliability		
g 5 Analytic generalisation	Analytic generalisation (that is, theory building) rather than statistical generalisation (that is, theory-testing)	Identify research issues before data collection, to formulate an interview protocol that will provide data for confirming or disconfirming theory	External validity through the specification of theoretical relationships, from which generalisations can be made	Applicability or transferability	External validity/transferability/fittingness			
h 6 Construct validity		Use of prior theory, case study database, triangulation	Construct validity			Construct validity		
i						External validity, that is, statistical generalisation		
j					Utilization/application/ action orientation			
Note: critical theory has not been included in this table as no quality criteria that distinguishes it from constructivism could be found								

Source: Healy and Perry, 2000: 122



For the realist, 'the theory has to be built, and confirmed or disconfirmed, before its generalisability to a population is tested' (Healy and Perry, 2000: 123). As mentioned in Section 4.2.1, this research is theory building.

The final criterion is construct validity and is similar to that of positivism (Yin, 1994) and refers to the appropriate operational measures for the concepts being studied. Constructivism does not have a similar criterion because their theories are not about a world where the appropriateness of measures can be assessed (Healy and Perry, 2000). This research has clearly presented and justified the different measures used and has made use of quantitative methods, as well as qualitative, to gain a more complete analysis of the data.

#### **4.3.5 Choice of Data Collection Methods**

A range of data collection methods were considered with the view to include as many as appropriate in order to enhance data triangulation. A survey was rejected because it would not provide the underlying depth as to why particular answers were given, nor allow flexibility to ask different questions about a topic in response to a particular reply given.

Interviews were chosen as the main data collection method and it has been suggested that the qualitative interview is effective and useful in generating theory (Lee, 1999). Use was made of what King (1997; 124) terms 'structured open-response interviews' whereby an interview schedule was used, with questions included in a set order. This sits between the quantitative structured interview which mostly asks closed questions in a specific order and every effort is made to control the way these questions are asked in order not to bias the responses of different interviewees and, secondly, to that approach whereby the interviewee is seen as a participant in the research, actively shaping the course of the interview. This structured, open response approach also has the advantage of allowing the protocol or guide used to be followed closely in each interview and to facilitate more systematic analysis. However, in addition, further exploratory questions were asked depending on the direction and/or completeness of the participant's answers.

In keeping with the nature of this research, the central value of the interview as a research procedure is that it allows both parties to explore the meaning of the questions and answers involved (Brenner et al., 1987). There is also the advantage of rapid, immediate response, thus any misunderstandings can be checked instantaneously whereas this is not possible when questionnaires and tests are being completed. As a research tool the interview is very flexible and can deal with subject matter at different levels of detail or complexity as required.

Organisational documentation and archival records, including memos, reports, charts and administrative documents, were consulted as another data collection method and means of triangulation (see **Appendix C** for a list of documentary sources used). Documentary records are a rich source of insights into different interpretations of organisational life because they are one of the principal by-products of the interactions and communication of individuals and groups within organisations (Forster, 1997).



Another source was observation, taken to include all information gathered on-site about a particular case other than from interviews and documentary evidence (Cassell and Symon, 1997). This included spending time (both before and after the data collection was carried out) with several HR people responsible for the different aspects of the operation of the HR Intranets and Call Centre. This provided the opportunity to see how the various systems worked, their different capabilities and as a check against specific responses given by participants.

#### **4.3.6 Choice of Data Analysis Methods**

This research followed Yin's (1994) recommendation that every case study investigation should start with a general analytic strategy that identifies priorities and techniques to be used. Analytic procedures, as advocated by Marshall and Rossman (1999), were also adopted and encompassed six stages – organising the data; generating categories, themes and patterns; coding the data; testing the emergent understanding; searching for alternative explanations and writing the report.

The notion of multiple sources of evidence from case research within a realist paradigm can extend to include both qualitative and quantitative analysis (Easton, 2000) and both were undertaken in this study. In addition, the research utilises within-case data analysis techniques as appropriate using Miles and Huberman (1994) and Yin (1994) for guidance.

Given the nature of the data collection methods, the research also employed the technique of content analysis. Content analysis is the “diagnostic tool” of qualitative researchers that can be used when faced with a mass of open-ended material to make sense of. ‘The overall purpose of the content analysis approach is to identify specific characteristics of communications systematically and objectively in order to convert the raw material to scientific data’ (Mostyn, 1987: 117). Thus, it is a way of converting qualitative data into quantitative information, and describes data sets in terms of categories and the frequencies with which they occur (Hayes, 2000). Gordon (1978) has described a four-step procedure to analyse the communication presented:

1. listen and read critically;
2. ask probing questions of the data – what is the meaning?;
3. look for meaningful relationships; and
4. synthesize, arrive at some sort of solution about the data.

However, as Mostyn (1987: 116) identifies content analysis requires another function beyond inference: interpretation, which he defines (using Freud, 1950) as ‘giving meaning to the content’ which typically occurs in the form of interviewer’s notes of what was said, a transcript of the proceedings, or a tape recording. Krippendof (1980: 23) suggests that the ultimate reliability test of a good content analysis is ‘Does the data obtained in the research provide a trustworthy basis for drawing inferences, making recommendations and supporting decisions?’



#### **4.3.7 Choice of Researcher Involvement**

Choices have to be made within the research design over the level of involvement of the researcher. While the Positivist “scientific” approach requires detachment (Galliers, 1997) with the view that research results are only valid if the researcher is independent of them (i.e. value-free), in designs such as constructivism or action research with high levels of involvement, results are interpreted by the researcher.

Realist researchers are not value-free (as with Positivism), nor value-laden (as with interpretivism), but value-aware e.g. Realism accepts that there is a real world to discover even if it is imperfectly and probabilistically apprehensible (Healy and Perry, 1998). The choice of case study and interviews within a realist paradigm mean that it is impossible to be totally detached and objective. Thus, the researcher will be involved in the construction of meaning in the collection and analysis of the data as well as the subsequent interpretation of findings and associated discussion.

### **4.4 RESEARCH METHODS: THE PILOT STUDY**

#### **4.4.1 Purpose of the Pilot Study**

According to Yin (1994) a pilot case can help the researcher to develop relevant questions and possibly, provide some conceptual clarification for the research design as well. In addition, the pilot inquiry can cover both substantive as well as methodological issues (Yin, 1994). It also enables the researcher to gain a clearer sense of the project and self-critique the adequacy of the methods used with the aim to plan and reformulate, as required, next-step data collection and analysis (Miles and Huberman, 1994).

The purpose of the preliminary study for this research was to:

- check whether any relationship existed between the use of HR Internet technologies and customer satisfaction with the HR function;
- explore the factors identified in the conceptual framework and supporting literature to identify those which appeared to be important for this research and whether any further relevant aspects existed;
- test the interview guide for suitability and appropriate focus;
- assess other data collection factors for possible improvement for main study;
- establish contacts and willingness of the preliminary company to be the focus of the main study.

#### **4.4.2 Setting Up the Pilot Study**

The company, BT, was selected with the researcher’s supervisors who had contacts in the firm and because the company was known to have recently set up a joint venture with Accenture, known as e-peopleserve, to provide HR services using Internet technologies, as an adjunct to their own in-house HR Intranet. A suitable contact in Group HR at BT was identified and after a number of telephone conversations and



reading a copy of the researcher’s First Review paper, the contact agreed to act as co-ordinator and liaison for the research. The researcher in return agreed to sign a company BT Confidentiality Agreement.

The contact provided introductions into BT Retail, a major company of BT which had been selected as the focus for the pilot study, and also into e-peopleserve, the BT/Accenture joint venture. See Chapter Five for relevant background information about both companies, and **Appendix D** for the case study protocol used for guidance during initial meetings with BT and e-peopleserve contacts.

The selected participants for the study comprised two categories – HR suppliers and HR customers. Twelve individuals took part, six HR customers and six HR suppliers. All participants were either senior/middle BT ranked managers (identified as levels two and three in the BT hierarchy) who either directly reported to a Director (level three) or were one person removed from a Directorial report (level two). HR suppliers comprised similar level managers from the HR function within BT Retail (in-house – three respondents) and from e-peopleserve (external – three respondents).

Interviews, lasting about one hour on average, were carried out face to face or by telephone (according to location) and followed the interview guides developed by the researcher for HR customers and HR suppliers (**Appendices F and G**). All interviews were transcribed by the researcher and the qualitative software program, NVivo 1.1 was used for analysis.

**4.4.3 Pilot Study Findings**

Given the exploratory nature of the research and the research question, a key concern was whether there would be any impact of using the HR Intranet on the internal customers’ satisfaction with the HR function. From the sample of HR customers and suppliers (Table 4.2) there was strong feeling that it did have an impact, both in terms of numbers and the lack of hesitation and strength of response when the question was asked. HR suppliers were asked to indicate their perceptions of the responses that their internal customers, the managers, would give.

**Table 4.2: Impact of HR Internet Application on Managers’ Satisfaction with the HR Function**

HR	Increase	No Effect	Decrease
Suppliers	83%	17%	0 %
Customers	50 %	33 %	17%

Source: Compiled by Author



Table 4.3 shows the categories and results which were the most significant outcomes of the research.

4.4.3.1 *Managers' Expectations*

The result of several questions concerning expectations and satisfaction, found that when managers' expectations with the HR Intranet were met managers were satisfied both with the HR Internet application and with the HR function. The inverse was also found to exist, so that where expectations of the HR Intranet were not achieved, this led to dissatisfaction with the HR Internet application and the HR function (Table 4.4).

Table 4.3: Further Key Findings of Research Study

Category	Yes %	No %	No Opinion %	Don't Know %
<b>Expectations of HRIA Met</b>				
<i>HR Customers</i>	83	17	-	-
<b>Satisfied with HRIA</b>				
<i>HR Customers</i>	83	17	-	-
<i>HR Suppliers</i>	100	-	-	-
<b>Customers Involved in Planning HRIA</b>				
<i>HR Customers</i>	-	100	-	-
<i>HR Suppliers</i>	50	17	-	33
<b>HR Initiates Feedback on HRIA</b>				
<i>HR Customers</i>	17	83	-	-
<i>HR Suppliers</i>	67	33	-	-
<b>Satisfaction with Mkting of HRIA</b>				
<i>HR Customers</i>	17	83	-	-
<i>HR Suppliers</i>	50	33	-	17
<b>Satisfaction with Training Given on HRIA</b>				
<i>HR Customers</i>	17	67	17	-
<i>HR Suppliers</i>	33	33	-	33

Source: Compiled by author

The code after the quote refers to either an HR customer (HRC) or supplier (HRS), their NVivo reference number, and the location of the quote - S12 equals section 12 of the interview transcript.



**Table 4.4: Managers' Expectations**

<b>HR CUSTOMERS</b> <i>I don't know what my expectations were, but using their website they deliver everything I need. I suppose my expectations are to show HR issues and give guidance and it delivers. (HRC1; S26)*</i>
<i>General guidance is not specific – not customised enough or interactive to enable me to query the specifics of an issue...Gone through all the pages on sick absence but nothing on what the next stages are. (HRC4; S24)</i>

\*Note: NVivo codes for participants of pilot are different to the NVivo codes for participants of main study.

Source: Interview Data

**4.4.3.2 The Role of Managers**

The roles of most the managers in the study had changed substantially in response to changes in the company itself and in their own customers' expectations. The extensive downsizing that had taken place in the company (see Section 5.2.3.3 and Table 5.2) meant a wider remit for many, higher productivity requirements and considerable staffing variations. The expanded managerial role has also partly been a result of the devolution of different HR activities to the line. As well as the increased responsibility and pressure this had brought, there were concerns about role ambiguity and a greater need for HR support and training to enable managers to be able to perform these new activities satisfactorily.

*Over the years a lot of things have come back to us. Not a bad idea but haven't been given the background support or training to enable us to do it. (HRC11; S16)*

**4.4.3.3 The Nature of Managers' Satisfaction**

One noticeable finding of the study centred on the nature of the managers' satisfaction. Responses to different questions from the range of attributes to be considered within the quality of the technology, information and service of the HR Internet applications, found that satisfaction appeared to be considered only if an aspect was perceived to be particularly outstanding or poor. The most vivid responses came from extremes of experience. Thus, many of the items were considered satisfactory only because there had been no negative experience to indicate otherwise.

*To be honest I hadn't really thought about it... I suppose I'm satisfied with how accurate the information is – I haven't had anything which indicates it isn't. (HRC2; S29)*



#### 4.4.3.4 Contradictions Between HR Suppliers and HR Customers

On several levels the responses between HR managers and HR customers showed differing perceptions. In the first place, HR suppliers were much less positive than HR customers about the role of HR. Thus, HR managers perceived both the expectations of their customers concerning HR's use of the Internet to provide HR services, and the resulting customer satisfaction as being very low. The majority of customers however, felt that their (high) expectations were met and they increasingly thought that their relationship with HR had improved and were satisfied because of this.

Other aspects emerged which confirmed the differing perceptions of service provision between the two groups. Thus, the responses brought to light a number of areas that could be grouped together as 'communication'. Customers generally indicated that:

- 1) no training had been carried on the HR Internet applications;

*I wasn't given any. It's use it and learn, learn by mistakes. I don't know if this is the right way to go. (HRC3; S33)*

- 2) there had been no customer involvement in the adoption and development of the HR Intranet;

*No, not at all. It would have been useful, important for us to input the support behind what was Internet based. (HRC4; S45)*

- 3) HR had not asked them for any feedback on their use or satisfaction with the Intranet;

*No, I've never been asked. (HRC6; S55)*

- 4) marketing of the HR Intranet had either been non-existent or poor;

*I think that if HR has missed a trick, it's probably this. Can be a source of information. Ring and ask them and they say it's on the Net. Just assumed everyone's happy about going to the Net and haven't positioned themselves to show this as a positive aspect of their role. (HRC5; S53)*

While a few customers were ambivalent about any problems to them because of this situation, other indicated they were still satisfied because the particular aspect either wasn't expected or they felt that they didn't need it. One individual manager indicated that it had decreased his satisfaction with the HR function. Thus, the results because of the small sample were inconclusive, and would need further exploration with each item being specifically investigated regarding any impact it might have on managers' satisfaction with HR. Those in HR however, generally felt that all these aspects had been adequately covered, as the example below concerning marketing of the HRIA.

*We did loads (of internal marketing)...can't recall all the detail but internal newspapers, specific e-mail drops to target communities, Web news bulletins. (HRS4; S60)*



#### **4.4.3.5      *Improving the HR Intranet***

Although the majority of managers were satisfied with the HR Intranet, each one when questioned raised issues or problems with one or more aspects of the Intranet and made suggestions for improvement. Although it was established that HR had not sought their opinions of the HR Intranet, neither had any manager volunteered this information to the HR department. The suggestions related mainly to important requirements for the managers' own role and interests and included a range of activities from those still wholly or partially carried out manually to those fully provided through the HR intranet.

#### **4.4.3.6      *Other Findings***

There were a number of other factors which were explored in the preliminary study which did not produce any clear results. Thus, no patterns appeared to emerge from the findings in relation to participant role prescription and discretion or role ambiguity and responses concerning expectations and satisfaction. In addition, there didn't appear to be any noticeable difference between responses from in-house or external HR suppliers. The sample was also too small to identify any trends or patterns relating to personal factors such as age or Internet experience.

#### **4.4.4      Learning Points from the Pilot Study**

The pilot study produced a number of learning points, some which were expected, others that were not.

##### **1)      Investigate whether any relationship existed between the use of HR Internet technologies and customer satisfaction with the HR function:**

The preliminary study tentatively confirmed that the use of Internet technologies by HR did effect users' satisfaction with the HR function. Therefore, the research could continue to further investigate this phenomenon and seek to identify a possible model of explanatory factors.

##### **2)      Explore the factors identified in the conceptual framework and supporting literature to identify those which appeared to be important for this research and whether any further relevant aspects existed:**

The pilot study exposed a gap between HR customer and supplier perceptions that would need further investigation, as this had not originally been a factor in the conceptual framework. A number of aspects were perceived by managers not to have been implemented. These factors such as training, customer involvement, marketing and feedback opportunities appeared, from the participants' explanatory comments, to play a wider role in the HR supplier/customer relationship relating to satisfaction with the HR Intranet and the HR function. Thus, they also appeared to provide a possible means of improving satisfaction if they were expected or perceived to have been applied effectively. These findings however, because of the small sample size, required further



exploration in the main study. Thus, a second research question which encompassed these initial findings was developed:

**Research Question 2: How can managers' satisfaction with the HR function be improved by their use of HR Internet applications?**

This research question would examine:

- i) the actions that the HR function could be recommended to take to improve managers' perceived satisfaction with HR from their use of HRIA.
- ii) the actions that managers could be recommended to take in order to increase their perceived satisfaction with the HR function.

To encapsulate the outcome of this part of the pilot, two findings and four associated issues were identified for further investigation. While this research is still at the exploratory stage, the main study would not solely focus on these issues (as with propositions or hypotheses) but they would be a key part of the analysis to identify whether the patterns either continued, or developed, within the larger sample. Findings a) and b) relate to RQ1, while issues c) to f) are linked to RQ2.

*a) When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to feel satisfied with the HRIA.*

*b) When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to perceive that the HRIA has increased their satisfaction with the HR function.*

*c) Where HRIA training provision was perceived by managers to be satisfactory, they may be inclined to feel that their satisfaction with the HR function has increased.*

*d) Where customer involvement in the adoption/development of the HRIA was perceived by managers to be satisfactory, they may be inclined to feel that this has increased their satisfaction with the HR function.*

*e) Where the opportunities for customer feedback about the use of the HRIA and appropriate action taken was perceived by managers to be satisfactory, they may be inclined to feel this has increased their satisfaction with the HR function.*

*f) Where the internal marketing of the HRIA was perceived by managers to be satisfactory, they may be inclined to feel this has increased their satisfaction with the HR function.*

As an important part of assessing the validity of this research, the negative side of all of the above statements were also highlighted for exploration.



While many of the categories used for coding the data were developed from the literature, a number of categories were also created using material from the interview transcripts and company documents. Most of these new categories had no effect on the substance of the research, rather they were a way of further sub-dividing activities and use such as recruitment, appraisal, BT organisation structure etc. Two overarching key areas which emerged and concerned both the research questions and the six issues, were the inter-related aspects of communication and the management of expectations. They appeared to play an important part in influencing the perceptions of both HR customers and HR suppliers and were thus identified as needing greater focus for both data collection and analysis purposes.

It is likely that these two areas will make an impact on the model to be produced from an analysis of the main study findings. However, at this stage, with only such a small sample having been used, the findings are tentative and need further investigation because the nature of the relationship between expectations and satisfaction in this specific context of service provider influence is not yet clear. Therefore, the conceptual framework as presented in Figure 3.7 will remain. The study is still an exploratory one and the factors currently identified are general enough not to precipitously focus on a particular direction which may artificially distort the results.

### **3) Test the interview guide for suitability and appropriate focus**

The interview guide was generally found to be appropriate for the purpose of this research. Several minor changes were made due to the findings, predominantly to the customer guides, to ask further about their expectations, to refine the satisfaction questions so that level, on a seven point scale, was included (e.g. mildly satisfied, very satisfied) and to investigate whether the implementation (or lack of it) of any of the four factors such as HRIA involvement, training, feedback or marketing were perceived by managers to influence their satisfaction with the HR function. HR suppliers were also to be asked whether they felt managers' expectations of the HRIA had been met. No additional questions about communication were added to the interview guides, since these were already implicitly covered in a number of questions about internal marketing, feedback etc. and the preliminary analysis had produced a large number of comments relating to this factor. Since the participants from the pilot were to be part of the main study, they would be contacted again to cover the additional questions.

In addition, because of the differences in perception between HR customers and suppliers, it was felt that this approach to the sampling should be continued in the main study. While some areas of the guides did not appear to produce wholly relevant findings, e.g. role prescription and discretion, it was decided, because this is an exploratory study, to leave them and evaluate any impact with the larger sample. See section 4.5.6 and **Appendices F and G** for the main study guides.

### **4) Assess other data collection factors for possible improvement for main study**

The interviews were recorded by either tape or hand written notes. While there are opinions about the benefits of both methods (Yin, 1994 and Stake, 1995 respectively),



the researcher (who uses a personal shorthand) found, when evaluating the quality of the material during coding, that the hand written notes generated the same amount of quotable material but arriving at that point was far easier. The researcher found that although the notes recorded the interviews word for word, they were more focused. The act of taping seemed to encourage participants to say a lot more but much of it was extraneous material which made the codifying process slow and difficult. The taped interviews also suffered additional problems of not always being clearly audible. Thus, it was often not possible to understand or hear various sections of the tapes and this required recontacting participants and expecting them to remember what had been said. With the note taking, however, any points needing clarification were immediately addressed. The researcher chose to continue to use hand written notes to record future interviews.

A further lesson learnt involved the need to proactively manage BT and e-peopleserve in order to achieve the planned work in a realistic time frame. As a priority in BT, this research was fairly low, particularly due to the turbulent events and decisions affecting life at the two companies. The researcher learnt to work around this and use multiple contacts to ensure that the timetable agreed was achieved. This was also important due to the fact that both contacts in BT and e-peopleserve left the company and although promised, did not carry out any handover for the research.

#### **5) Establish contacts and willingness of the organisation in the pilot to be the focus of the main study.**

At the end of the preliminary study, it appeared that due to key contacts departing the respective companies without any research handover, the main study would not be able to progress as a single case. However, contacts made during the preliminary study were approached and this enabled the main body of the research to continue as planned.

### **4.5 RESEARCH METHODS: THE MAIN STUDY**

This section presents the details of the main study which are necessary to evaluate the quality of the process undertaken and the subsequent findings and discussion. Each step has been carefully documented to raise the rigour, reliability and validity of the study and to enable replication should it be so required or continue the same line of research in the future.

#### **4.5.1 Background**

In order to continue to be able to implement the single case method for this research, alternative contacts to those who had left both BT and e-peopleserve, were approached. Both agreed to act as co-ordinators and facilitate access to both people and documentation as required. The BT contact was the Group HR Intranet Manager, while the e-peopleserve contact was the BT Global Account Director. At each meeting to formalise this process, the case study protocol (Yin, 1994), was used to clarify the researcher's expectations and requirements (see **Appendix D** for BT/e-peopleserve case



study protocol). This identified topics to be included for discussion such as the background to the study, its purpose and objectives, the expected involvement of both the contact and the company, the benefits of the research and expected outcomes together with a further list of documentation (from that which had been obtained from the preliminary study) that would be required. See **Appendix C** for a list of the documents used in this research. In addition, the e-peopleserve contact required an e-peopleserve Confidentiality Agreement to also be signed, as well as an embargo to be placed on any borrowing of the resultant thesis for three years due to commercial sensitivity.

#### **4.5.2 Population Selection**

Participants for the main study were initially selected on the basis of their position within the organisation. Thus, participants should be managers who reported to a Director or were one level below (reported to someone who reported to a Director). The aim was to interview a cross section of participants from BT companies and reflect the respective company size ratio. In addition, the following criteria applied:

- for HR suppliers (in-house) - direct contact role with internal customers and/or provider of content or service on the HR Intranet;
- 
- for HR suppliers (external) - direct contact role with BT customers and/or provider of content or service on the BT HR Intranet;
- 
- for HR customers - had used at least one of the BT HR Intranets.

Because of the single case focus and only minor changes being made to the interview schedules, it was agreed with the researcher's supervisors to include the participants from the pilot study within the main study. It has been noted that adjustments can be made to data collection instruments, such as the addition of questions to an interview protocol (e.g. Harris and Sutton, 1986, Huberman and Miles, 1998). Eisenhardt (1989:539) poses and answers her own question as to whether it is legitimate to alter and even add data collection methods during a study. Her response is that, 'for theory-building research, the answer is "yes" because investigators are trying to understand each case individually and in as much depth as is feasible'. The pilot study participants as required were contacted by e-mail and responses to the additional interview questions duly recorded for the purposes of the main study.

In December 2001, however, the Global Account Director for BT abruptly left e-peopleserve. However, by this time, all required participants had agreed to take part and appointments had been scheduled. Where follow up was needed this has taken place with several of the senior VPs (who had participated in the research) to obtain information.

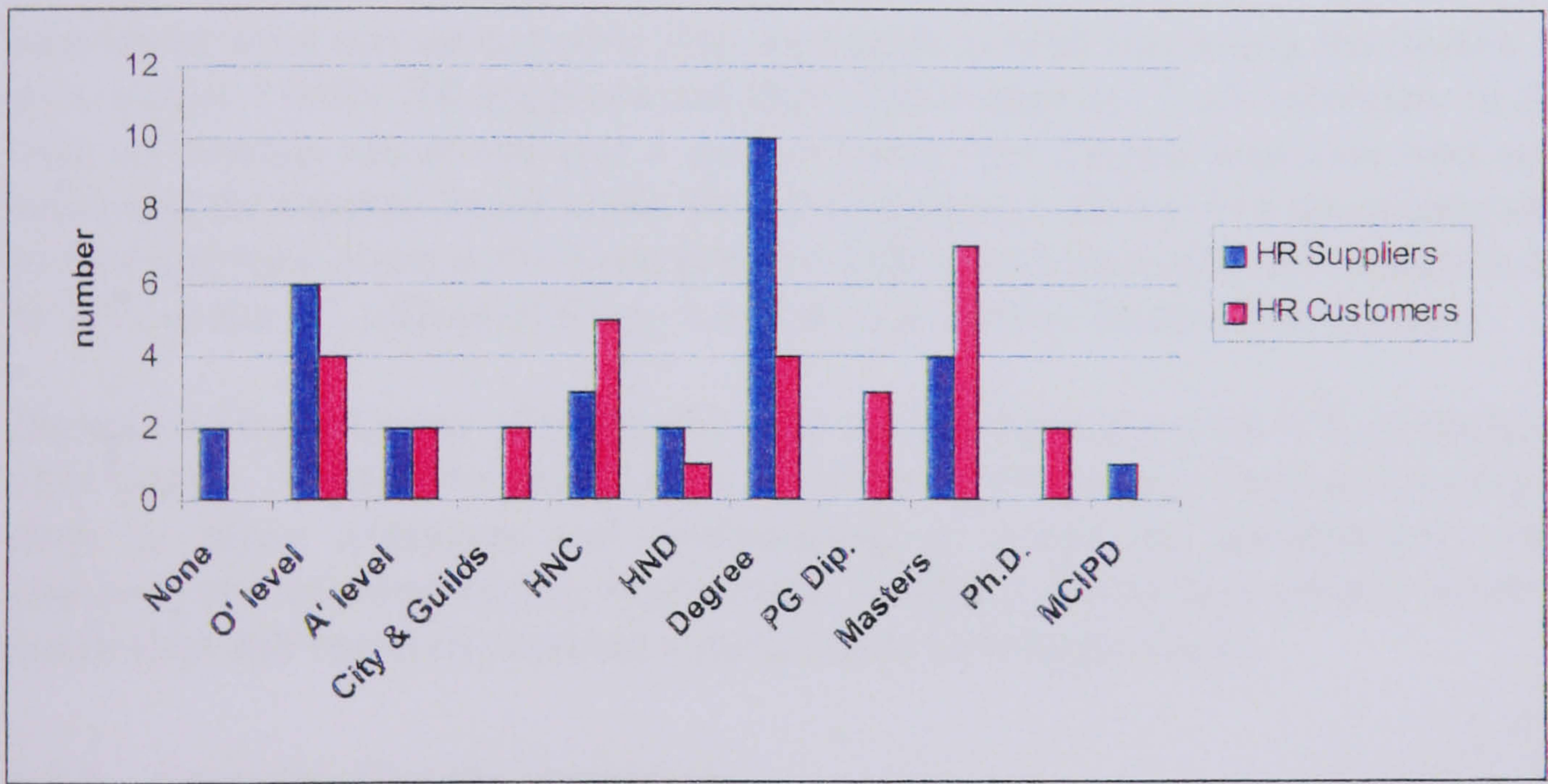


4.5.3 The Participants

Please see Appendix E for profiles of all sixty main study participants (twelve included from the pilot and forty-eight for the main study only). All participants were full-time permanent employees of either BT or e-peopleserve. The youngest individual was 25 and the oldest was 53, with the average age being 40 years old (average age of BT management level employee 41 years). There were 48% males to 52% females. A total of 86% of e-peopleserve respondents had transferred from BT. Company tenure ranged from 4 months to 33 years with an average of 16.7 years (BT average 17 years), while position tenure was less extreme ranging from 3 months to 15 years.

Of particular note is the fact that some 50% of respondents had spent their whole careers in BT. The participants represented all BT companies and encompassed a range of different positions and functions from marketing, customer services, engineering, purchasing, operations and IT. In addition, a wide spectrum of qualifications were represented, as indicated in Figure 4.1.

Figure 4.1: The Sample of 60 Managers: Highest Qualification Profile

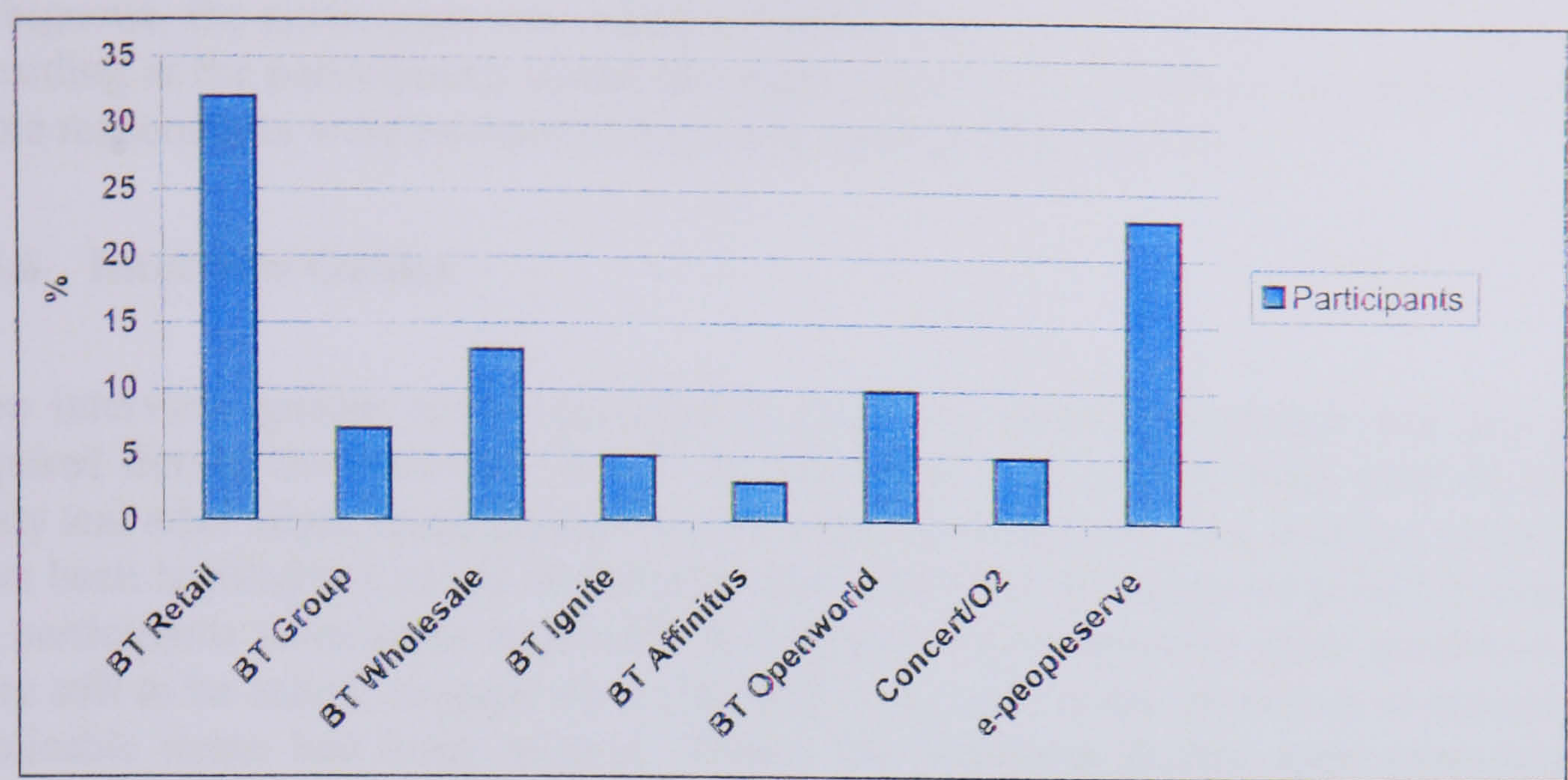


Source: Compiled by author

Company representation is shown in Figure 4.2 – while BT Retail is by far the largest company in BT (see Chapter Five for details), it was also focus of the pilot study which is reflected in its proportionately larger representation.



Figure 4.2: The Sample of 60 Managers: Company Profile



Source: Compiled by author

4.5.4 Staging the Interviews

Interviews were carried out with sixty managers in total (including the twelve from the pilot study) – thirty HR suppliers and thirty HR customers. Each interview in this stage took on average about one and a quarter hours (the longest was over two and a half hours and the shortest lasted about forty-five minutes). Thirty-five interviews were face-to-face and took place at the e-peopleserve offices in Milton Keynes (which is also used by BT), at the BT offices in Kings Langley or at various locations in London.

Because a large number of managers were located throughout the UK or indicated very tight diaries, twenty-five interviews took place by telephone. Time constraints were an issue to many managers and rescheduling of numerous appointments was often required, one meeting taking four months to finally occur and several others did not materialise and required alternative participants to be approached.

4.5.5 Carrying Out the Interviews

Before each interview commenced, the purpose of the research project was outlined clarifying that the focus was on the participant's own viewpoint. HR suppliers were informed that many of the questions required their perception of how their internal customers at managerial level would respond. Managers were asked to reply from consideration of their own opinions and the specific needs of their own work role. Informants were given the opportunity to ask any questions about the research or the interview. The participants were also assured that they would not be personally identifiable in subsequent written and verbal reports and that a confidentiality agreement had been signed with their company. They were also made aware that once the interview had been typed up, the researcher would send it to them so they could check for errors or comments they might wish to change.



All interviews carried out after the pilot study were recorded by hand written notes, copying the respondent's words verbatim. Where a comment made was not clear or ambiguous, the participant was asked to further explain. No problems were found with recording at the participant's speed although it appeared that while not speaking slowly, some respondents were perhaps instinctively pacing their speech.

#### **4.5.6 Interview Guides**

Two interview guides were developed to help the researcher ensure that key aspects required during the interview would be addressed. The guides were used in the pilot study and after slight modification for the main investigation. The changes to the guides have been highlighted in red to illustrate the additional questions or possible responses. As participants sometimes responded to questions by addressing other questions which were still to be asked, so gaps were checked at the end of the interview to ensure all the applicable items had been covered. Where the interview guides used more academic terms from the literature for specific points, the researcher utilised more appropriate language in order to be more easily understood (e.g. for 'currency' the term up-to-date was used). There were few problems with the understanding of questions asked and on the several occasions a respondent checked the researcher's meaning, this was duly confirmed. Individuals were encouraged to elaborate their responses in interviews and to provide additional information and examples in support of their claims. The revised interview guide from the preliminary study was tested on several colleagues and reviewed by the author's supervisors prior to implementation.

Each guide required basic demographic information at the outset of the interview which applied to both HR customers and suppliers.

##### **4.5.6.1 *HR Supplier Interview Guide***

The HR supplier interview guide sought to elicit the view of those in HR towards their customers and the nature of the relationship between the two. It explored their perceptions of managers' use and appreciation of HR Internet applications and how HR saw this meeting their customers' needs and expectations.

See **Appendix F** for the HR Supplier Interview Guide.

##### **4.5.6.2 *HR Customer Interview Guide***

The HR customer interview guide endeavoured to extract the alternative perspective – the customers' view as to their needs and expectations of HR and the HRIA. It explored the managers' changing roles, their opinions about HR Internet applications as part of HR's service provision and whether it had any impact on their satisfaction with the function.

See **Appendix G** for the HR Customer Interview Guide.



#### **4.5.7 Ending the Interview**

At the end of the interview, subjects were asked if they had any other comments to make concerning the use of HR, the HR Intranet or the relationship between HR and its customers. Contact details, particularly e-mail addresses, were checked that they were still current and a brief summary was made of any action which the respondent had agreed to carry out (e.g. providing a relevant document or participant contact they had mentioned).

The interview notes were typed up and e-mailed to the participant together with a thank you note for their time and input. It was also indicated that if they did not reply concerning the text of the interview, it would be assumed to be satisfactory.

### **4.6 DATA ANALYSIS**

#### **4.6.1 Overview of Data Analysis Methods**

The interview transcript data and other documentation have been analysed using the qualitative analysis method of categorisation and sub-categorisation. These categories have been derived from a comprehensive review of the relevant literature, the conceptual framework, the interview transcripts and the contents of the various documents. The data have also been examined quantitatively for themes and patterns in responses. Numerical trends within categories are of interest to this study, and assist in the identification of pertinent concepts and themes from the qualitative data for refining the focus of this research (Miles and Huberman, 1994). In addition, linking qualitative and quantitative data can be a further source of triangulation through corroboration and may provide a means of developing the analysis and gaining fresh insights (Rossman and Wilson, 1984).

The qualitative analysis software, QSR NVivo 1.3 (a later version than the 1.1 available for the pilot study), was used for the management of the qualitative data and for the exploration of relationships between the categories. Computerised qualitative data analysis helps increase reliability and validity (Silverman, 1993), by providing a reminder of the data and their contexts at all stages of research (Durkin, 1997). Use of a qualitative data analysis program fits with the research strategy approach of retroduction which stresses the constant, ongoing testing of theory with data, and data with theory (Ragin, 1994). In qualitative research, analysis occurs at the same time as data collection and coding (Emerson, 1983) and the interactive nature of qualitative data analysis programs makes this possible to an unprecedented extent (Durkin, 1997). In addition, using NVivo assisted in the management of large quantities of complex data (Richards and Richards, 1998) and provided the ability to work quickly and conveniently and apply more sophisticated analytical techniques (Pfaffenberger, 1988).



#### **4.6.2 Transcription of Interview Data**

All interviews were transcribed by the researcher into Word with hand written notes being made, during the process, of comments, ideas and questions as they arose. The researcher found that the process of transcribing tapes from the pilot study was slow, tedious and difficult, since it was often not possible to discern what was being said and secondly, because some interviewees had a tendency to get off the track of the main question. Those interviews that were not taped but completed by hand were far more satisfactory because clarification was immediate (if a point hadn't been heard or understood the respondent was asked) – whereas with the tape, this problem was not identified until playback and when asking the respondent at a later stage, there was often uncertainty as to the point they were trying to make.

Another issue was the possible distortion of transcribing verbal responses. Within this research every attempt was made to transcribe the exact words used by the respondents. With the tapes, where problems were identified later during the transcription process, the interviewees were asked to check specific areas of text when they were checking the accuracy of the transcripts. With note taking, this was identified immediately as the notes were being made, but the participants were still required to check the accuracy of the data recording. Each participant checked his/her completed transcript.

Please see **Appendix H** for an example of an interview transcript.

#### **4.6.3 Coding and Analysis**

The NVivo software provided a quick and easy mechanism for coding material into different categories and sub-categories which was then capable of extensive manipulation to produce models, reports and profiles as well as to be able to carry out relational and other advanced searches. As an exploratory study, the coding used was informed by the literature and conceptual framework summarised in sections 3.6 and 3.7 but developed from the data. Where relevant it was also possible to link literature references to each node (e.g. usefulness – DeLone and MacLean, 1992; Moore and Benbaset, 1992; Agarwal and Prasad, 1997) and this was duly carried out and provided a useful source of assistance in relating the literature to the empirical results.

In addition, the coding could be built up as a hierarchical tree structure and this was duly carried out over the duration of both the preliminary and the main studies. The final coding framework (**Appendix I**) illustrates the tree hierarchy. Basic demographic data was compiled into an attribute table and not coded. Attributes could be fully analysed as with the coded items using NVivo, and were useful for developing matrices of information such as the tenure profile of those participants who were dissatisfied with the HR function.

Most of the documentation received from the two companies was electronic. All paper-based material was reviewed and where appropriate, sections were word processed to enable entry into the NVivo program. Consequently, all interviews and associated documentation was prepared (into rich text format and specific formatting structure),



entered into NVivo and coded against the categories (known in the program as nodes). Figure 4.3 illustrates the various stages of the NVivo data management process that the researcher followed.

Another feature of the NVivo program is that of sets, where groups of documents and nodes could be separated and analysed independently. Considerable use was made of this feature to be able to compile comparative information for further analysis. Thus, the sets created included interviews; documents; HR customers; internal and external HR suppliers, and also, participants segmented by company; gender; age; tenure; discretion ratio and so on. The company analysis in particular, enabled contrasts from different areas of the business to be identified (Hartley, 1997).

As well as the process of categorisation and sub-categorisation, the researcher also used thematic content analysis (Mostyn, 1987; Hayes, 2000) to examine patterns of responses and interpretations for key areas such as communication, expectations and satisfaction. This process was completed in Excel, since most of the analysis required a spreadsheet capability and graphical presentation of the results. Chapter Six which presents the findings of the research provides numerous examples of the outcomes of both activities. Because of some of the current limitations with NVivo a number of these processes were calculated and input manually. The combination of qualitative and quantitative data provided a much deeper, and more accurate, understanding of the phenomena under investigation than using only one method (Schmitt and Klimoski, 1991).

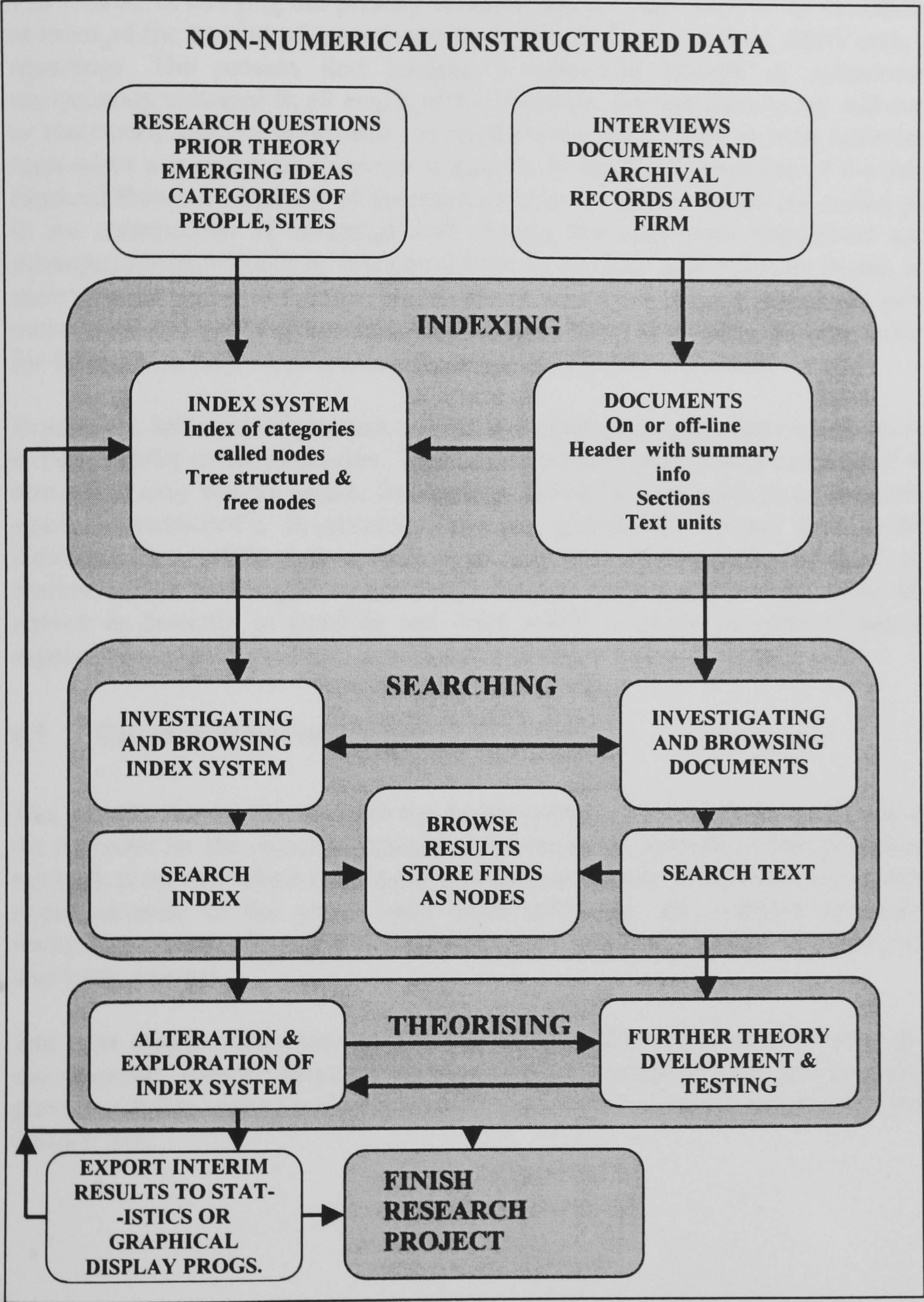
#### **4.6.4 Triangulation**

In addition to the interviews, secondary data (such as company reports, a newsletter, a business plan, memos, market research studies, contracts and service agreements – see **Appendix C** for list of documents used) as well as observation of the various HR Intranets, was utilised. Both methods assisted the researcher's understanding of what was happening in the two companies, and also provided a source of data triangulation to provide corroboratory evidence. Traditionally, reliability has been considered in terms of measurement, but within a realist framework, the reliability of coding and category analysis can be assessed through triangulation of the findings in terms of consistency of meaning (Madill et al., 2000). Healy and Perry (2000) also identify data triangulation as one of their key criteria for judging the quality of realist research, and therefore, the use of multiple sources of evidence have been an important activity within this research.

In addition, both the preliminary and main study categories and findings have been checked with my supervisors and key contacts in the pilot organisations, while the coding and transcripts have been checked by two Ph.D. colleagues. In addition, all interviewees were asked to verify the content of the interview transcripts and those where the author felt there might be some areas for clarification were chased up to ensure any issues were addressed. Some individuals also gave further assistance by providing additional information which they had mentioned during the interview.



Figure 4.3: The QSR NVivo Data Management and Theorising Process



Source: Adapted from Richards, 1999.



#### **4.6.5 Research Bias**

The process of carrying out primary research has revealed itself to be extremely testing in terms of the amount of opportunity for bias to infiltrate (design, interviews, analysis, reporting). The process thus became a conscious activity to endeavour to be scrupulously unbiased in all stages of the research. For instance, to try and ensure bias or inaccuracy had not permeated the handwritten notes taken at each interview, every respondent was sent their interview transcript to verify the precision of the information captured. However, because of the researcher involvement (within the realist paradigm) in the construction of meanings both during the interviews themselves and in the subsequent interpretation of data throughout the analysis and reporting stages, some bias must necessarily intrude. Thus, while other researchers may agree that the process and outcome of this research were acceptably rigorous, if they were making those choices for themselves, they would perhaps have made differing selections.

In addition, Miles and Huberman (1994) warn that participants may bias their responses to be amenable to the researcher. There may be many other sources of bias of which the researcher may not be aware, that may infiltrate the research (e.g. commercial bias against “academics”). In several instances, participants voiced their possible bias indicating that, while they were responding as a “customer”, they had previously worked in HR and might be positively biased towards them. They were advised to answer as honestly as possible and were asked to clarify a point if any comment appeared too glowing.

#### **4.7 CHAPTER SUMMARY**

The present chapter has outlined the realist philosophical approach, and has explained the rationale for the research strategy and design. An account of the preliminary study has been presented which lead to the learning points and actions that were taken prior to implementation of the main study. Data collection and analysis methods for the research, together with efforts to enhance the validity and reliability of the data, have also been reported.

The next chapter discusses the context of the main study organisation, its external environment, internal structure, strategy and provision of HR services in order to provide a fuller understanding of the findings of the research interviews presented in Chapter Six.



## **CHAPTER FIVE: MAIN STUDY CASE ORGANISATION**

### **5.1 INTRODUCTION**

This chapter presents the background information on BT and its subsidiary, e-peopleserve, as part of the process of obtaining a deeper understanding of the context of a phenomenon in a single case organisation (Gilmore and Carson, 1996). The topic under investigation in this case is one in which the boundaries between the phenomenon and the context are not clearly evident, and it is being presented in its real life context (Yin, 1994). In addition, the case design distinguishes the context of the action as being critical (Benbaset et al., 1987). The requirement for research to explicitly present the organisational context is widely supported. Cassell and Symon (1997: 5) suggest that this approach is paramount as it 'recognises the influence that the situation has on behaviour and that behaviour has on situations'. Gilmore and Carson (1996) propose a holistic outlook to gain a comprehensive and complete picture of the whole context in which the phenomena of interest occur so as to understand its multi-layered and interrelated environment. Floyd and Lane (2000) also comment that expectations for a given role do not arise in a vacuum but develop in a context of other mutually dependent actions and expectations that comprise the social system of the organisation. Both macro and micro aspects of the organisation should be incorporated since they influence individual behaviour and attitudes (Katz and Kahn, 1966). Thus, a depiction of the focal organisation's internal and external circumstances is essential groundwork to identifying possible effects it may have on the phenomenon of interest.

### **5.2 BRITISH TELECOMMUNICATIONS PLC**

#### **5.2.1 History of BT**

The origin of BT began in 1879 when, because of public dissatisfaction with the service provided by private telegraph companies, the Post Office obtained by statute the exclusive privilege of transmitting telegrams within the UK (Newman, 1986). Further exclusivity was gained when in 1911 when the systems of the National Telephone Company passed to the control of the Post Office (with the exception of Hull where the municipal authority took over the Company's systems and continues to operate it to this day) and they became the monopolist provider of the telephone service (Robinson, 1998). As part of the General Post Office, British Telecom was until 1969 a Government department, when its status was changed by the Government to that of a public corporation under a Chairman, appointed by and answerable to, the Secretary of State for Industry. This arrangement lasted until 1981 when British Telecom, having long enjoyed its monopoly, was given independence from the Post Office by the Telecommunications Act of 1981 (Newman, 1986). This began its process of privatisation (when telecommunication and postal services were split up) which was completed in 1984. In that year, Mercury Communications became a national PTO (public telecommunications operator) and this meant that any cable operator wanting to supply telecommunications services had to do so through an agency agreement with BT



or Mercury. This arrangement changed in 1991 (see next paragraph) and BT was then finally required to face real competition.

### **5.2.2 BT's External Context: The UK Telecommunications Industry**

Key Note (2001a) in their November report, estimated that by the end of 2002 the telecommunications industry would be worth almost £21.88 billion per annum (an increase of some 49.1% in total market value from 1997). The nature of the telecommunications market in the UK today, has been the result of the Government's Duopoly Review of 1991 which allowed cable and all other prospective telecommunications operators to provide services through their own network systems, including using the capability of switching their own traffic (Key Note, 2001a). The aim of this was to increase competition and benefit the users of telecommunications services, and the former is certainly the case.

For the telecommunications industry 1998 was a significant year with increased market liberalisation and globalisation, together with massive technological change as the industry embarked on the datawave, deploying high speed networks to reflect a shift from fixed voice telephony to mobile, data and multimedia. Since 2000, however, the telecommunications industry has faced a difficult few years. In the late 1990s, the prospect of high-revenue growth rates encouraged telecoms companies to implement strategies based on assumptions that a) both high levels of debt and much higher returns for equity investors could be supported from cash generated by new services, and b) growth rates in the telecoms industry were moving to a permanently higher level. As well as these assumptions being fallible, telecoms companies did not take adequate account of the effects of competition. Thus, while technology and deregulation has transformed the industry, it has not created a large enough market to support all the new companies within it. In addition, the problem has been exacerbated by the scramble to win a third-generation (3G) license to provide high-speed wireless data services. This cost of 120 billion euros has resulted in the "winning" companies heaping debt onto already weakened balance sheets for investments that may take years to pay off (Key Note, 2001a).

### **5.2.3 BT Today**

BT is still the UK's leading provider of telecommunications services and its principal activities include local, long distance and international communications services, mobile communications, Internet services and IT solutions. While geographically BT has operations worldwide, in the UK it serves 29 million exchange lines and more than 11 million mobile customers (estimated market share of 26%) as well as providing network services to other licensed operators (BT Annual Report, 2001). Revenues for BT and its respective divisions are shown in Table 5.1.

The company has experienced a roller coaster ride over the last couple of years. The strategy pursued by the Chief Executive, Sir Peter Bonfield, had resulted in debt of over £25 billion (Marsch, 2001). The company paid £10bn for 3G rights in the UK,



Germany and Holland over the next 20 years and has taken stakes in telecommunications firms around the world, including the US (Jolley, 2002).

BT had invested £1.2 bn in a joint venture, Concert, with US giant AT&T but this was wound up in October, 2001 with the company effectively writing off its investment (Jolley, 2002). BT Wireless (including BT Cellnet its UK arm), providing mobile Internet and data, was demerged from BT in November, 2001, leaving the company with the fixed-line business and internet activities. However, mobile communications now account for 2.1 million users with no fixed lines and analysts currently regard mobile substitution as the most significant threat to BT’s future (Marsch, 2001).

In addition, it was announced in March, 2002 that BT’s joint venture with Accenture, e-peopleserve, the HR outsourcing firm (see section 5.3.2.2) had been sold. Accenture acquired the other 50% stake in the company for \$70 million in cash and up to an additional \$223 million depending on e-peopleserve revenues over the next five years. It was estimated that this unit generated revenues of about \$100 million and was currently operating at break-even or a slight loss (Keirstead, 2002).

A new Chief Executive, Ben Verwaayen has also been brought in to take over from Sir Peter Bonfield (he joined in January and took over officially 1 February, 2002) as well as a new Finance Director, Ian Livingston who started in April.

Table 5.1: BT Revenues and Employee Numbers - Year Ended 31 March, 2001

Year ended 31 March 2001	Total Turnover * £m	Employees in main divisions
BT Retail	11,813	53,600
BT Wholesale	11,493	30,000
BT Wireless	3,947	14,900
BT Ignite	3,861	18,800
Yell	778	5,300
BTopenworld	212	700
Concert (BT’s share)	2,576	not listed
Eliminations and other	(5,014)**	
Total	29,666	
Total UK Employees		117,900
<ul style="list-style-type: none"><li>• *includes turnover between businesses</li><li>• **includes intragroup revenues</li></ul>		

Source: Adapted from BT, 2002: 10-17.

5.2.3.1 Structure of BT

The current structure of BT is illustrated in Figure 5.1. British Telecommunications plc principally comprises:



**BT Ignite** - an international broadband network business focused primarily on corporate and wholesale markets.

**BTopenworld** - an international mass-market Internet business.

**BT Retail** - serving end-business and residential customers. Also the prime channel to market for other BT businesses.

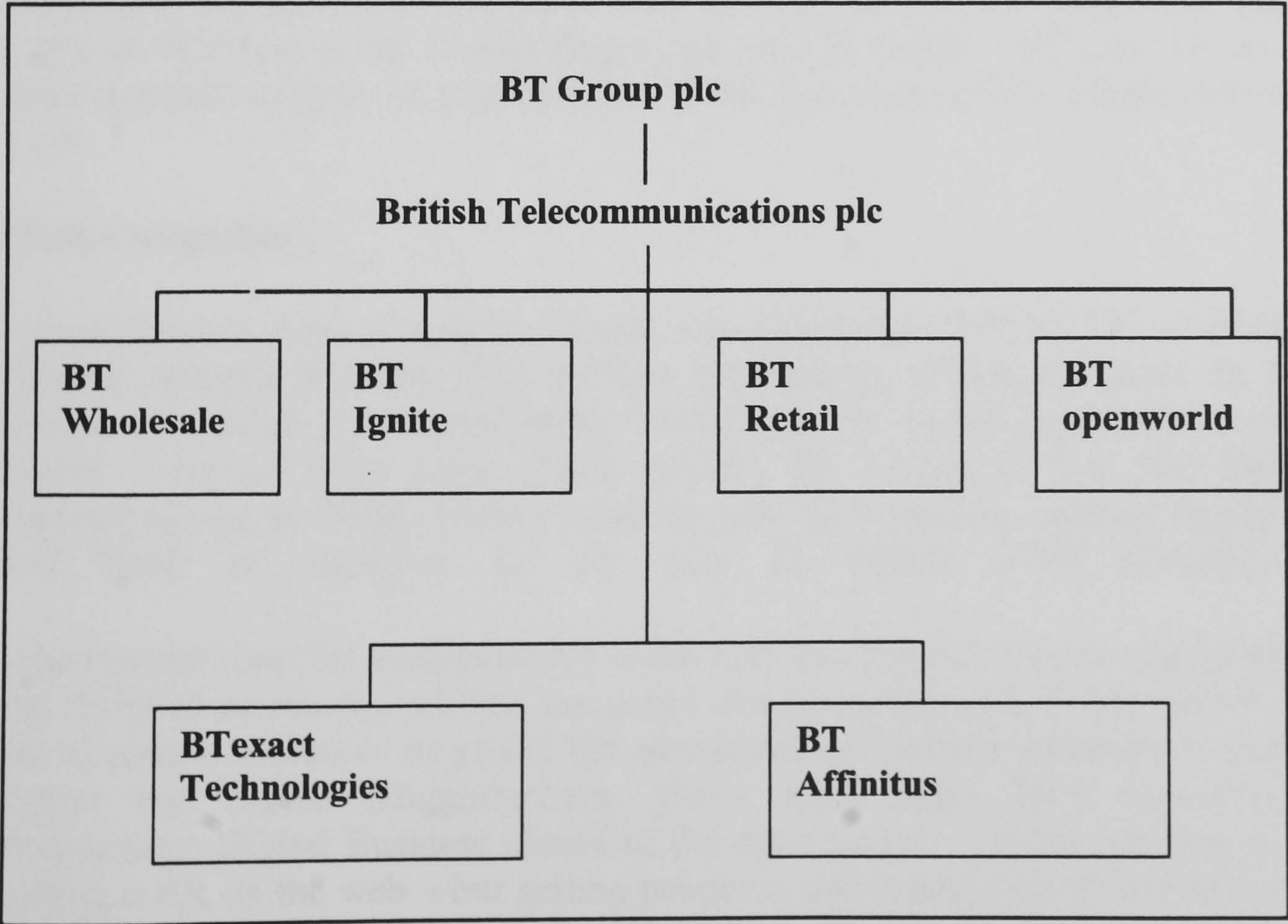
**BT Wholesale** - which runs BT networks and sells network capacity and call terminations to other carriers.

**BTexact Technologies**, a wholly owned business, comprising BT’s engineering and technology research and development activities. Its principle customers are the other BT Group plc businesses and BT's alliance partners. BTexact also provides a portfolio of professional and consultancy services to external customers.

**BT Affinitis**, a business offering services which can be bought stand alone or in integrated offerings. Currently, its customers are the BT lines of business. However, BT Affinitis has the commercial mandate to leverage scale still further through external trading, where appropriate.

**Concert**, BT's joint venture with AT&T, is being unwound and BT Telecommunications plc is retaking full control of its share of businesses, customer accounts and networks and integrated into the BT Group plc (BT Annual Report, 2001).

**Figure 5.1: Structure of BT Group, 2002**



Source: BTa, 2002: website.



### 5.2.3.2 *e-peopleserve*

#### **Background**

e-peopleserve, a 50:50 joint venture between BT and Accenture (formerly Andersen Consulting) to provide 'secure outsourced, integrated, e-enabled HR administrative services', was formed in September, 2000 (HRS – BT Doc 4; S14). Initially, 1,000 BT Human Resource and Development Service employees were transferred to the new company and the headcount now stands at 1,600 (e-peopleserve, 2002). There is no Board level HR Director but a Vice President of HR who reports to the Board.

e-peopleserve is a Business to Business company, focused on providing Business to Employee services. The primary operating model is 'Clicks and Mortar' - an eCommerce company benefiting from a base of more traditional support functions, specifically an HR call centre, a number of HR case workers and a data centre, supplemented by a limited number of expert HR service professionals. The vision for e-peopleserve is to be the provider of choice for Global 1000 organisations seeking to source integrated, efficient and secure leading edge HR operational services in a new way (HRS – BR Doc 7; S3). These operational services span the entire employee life cycle and cover the administration of recruitment and selection, training and development, performance management, benefits administration, reward (including payroll services), contracts, retirements (including pension administration) and resignations (Figure 5.2).

Currently, e-peopleserve provides services to Accenture and BT – initially in the UK and Ireland, and more recently in the US (some 160,000 current client employees and 350,000 pension fund members). In December, 2001, e-peopleserve were also awarded a five year HR and Accounts Receivable outsourcing contract worth £80 million with Cable & Wireless in the United States and the UK (HRS – BT Doc 12: S1-3). For a more detailed analysis of e-peopleserve's HR provision in BT, please refer to section 5.2.4.

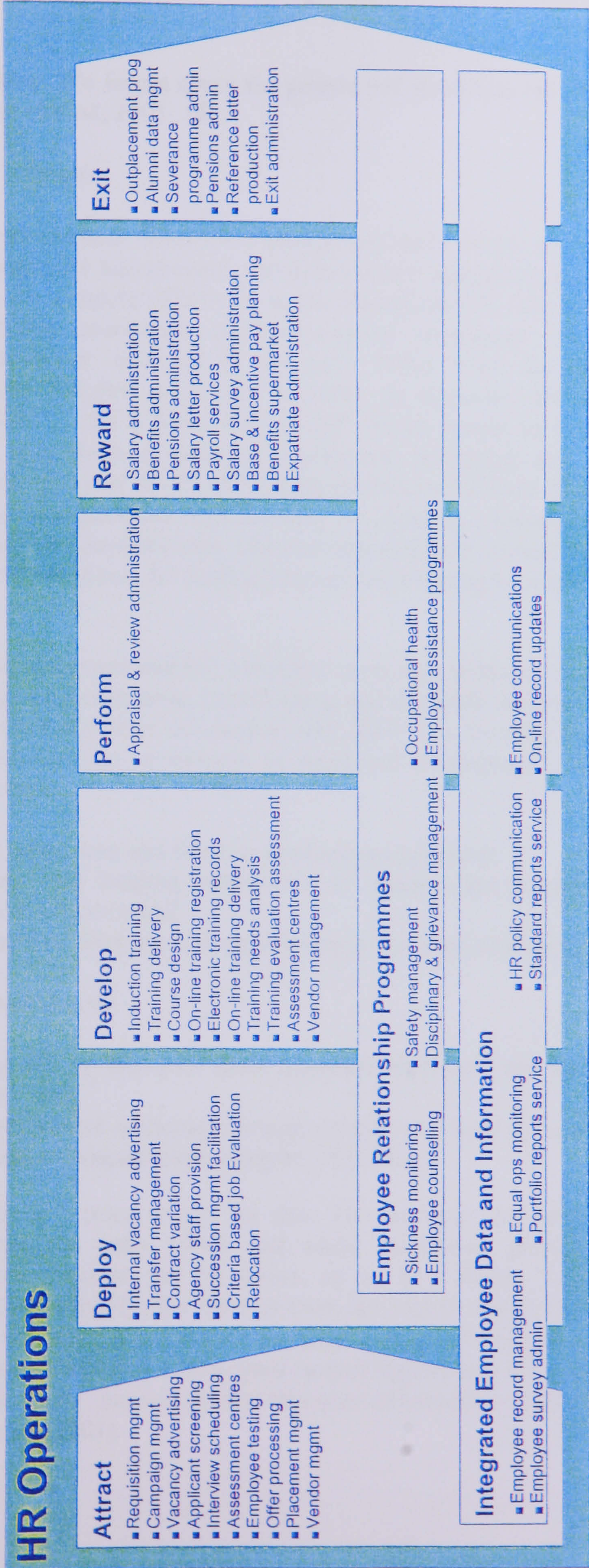
#### **Main Competitor**

e-peopleserve's main competitor, Exult, was founded in 1998 by US investment house General Atlantic Partners (\$55 million investment), which specialise in IT related investments. Exult was floated on the NASDAQ with market capitalisation of about \$1 billion. It gained three large clients quickly, BP Amoco (a five year \$600 million contract signed in 1999), Unisys (a seven year \$200 million contract signed in 2000) and Bank of America (a ten year £1 billion deal) (Pickard, 2000a).

Of particular note for e-peopleserve is the fact that the BP Amoco relationship, which had received so much publicity, has come to a premature end. In November, 2001, BP put its plan to outsource its global HR administration on hold, more than a year after the project had started (Higginbotham, 2001). John Melo, BP's Vice-President for Downstream Digital Business identified the main reason – 'It has not been a challenge putting e-HR on the web – but getting people to use it was. Our IT and HR community led this project, but we needed to start with the business wanting to do it



Figure 5.2 : e-peopleserve Operational Activities



Source: e-peopleserve, 2001



in the first place. We forgot about the people and processes and didn't get buy-in from unit managers' (Flood, 2001: 16).

#### 5.2.3.3 *People*

BT, with its government department background and culture, was compelled in the late 1980s to abandon its bureaucratic, process-oriented management style when it realised that it could not compete effectively in the liberalized UK telecommunications market without a highly motivated, customer-centred workforce. Employee morale and motivation, however, declined in the early 1990s when the company reduced its personnel from 250,000 to around 120,000. In response, BT implemented a new approach called "... for a better way of life" which sought to change the way people worked and give them a sense of excitement, belonging and involvement in the business. Under the new divisional managing director Stafford Taylor, employees were encouraged to take personal responsibility for meeting customer needs, take decisive action to meet these requirements, take calculated risks to exceed customer expectations and sharpen their instincts for finding ways of contributing to corporate success (Mason, 1998).

This focus has continued and BT, identifies in its own publicity its recognition that 'the pace of change is accelerating, expectations and demands are growing - not only from our customers but also from our people' (BT, 2002: 18). In order to meet this challenge, BT have identified that investment in employee development is critical and aim to achieve it through:

- providing innovative and flexible employment solutions;
- encouraging and helping employees to acquire the knowledge they need to succeed in this 'new world';
- creating internet thinking and applications at the heart of all activities,

with the ultimate aim of:

- positioning BT as 'Europe's most respected employer' and the UK's 'employer of first choice', and
- gaining competitive advantage through people who have the capability to shape and lead the market (adapted from groupbt.com, 2002).

However, there is a price to pay for this. The company has already shed half of its workforce since the early 1990s and while substantial growths in revenues and productivity are required for the future, so too is a further reduction in employee numbers. Analysts identify that there is room for improvement. For instance, BT Lines per employee are 268 compared to a European average of 345 (Marsch, 2001). The aim is for a headcount reduction of 6% from current figures and Sir Peter Bonfield, prior to his departure from BT, announced that this pace of reduction could continue for the next 3-4 years (Marsch, 2001).



#### **5.2.3.4 Employee Communications**

Within BT Group and each division such as BT Retail, there is a Communications team led by a Director of Communications. The majority of their activities are directed externally, but each team also comprises an internal communications team appropriate to the size of the division. Their aim is to keep employees fully up-to-date and involved in what the company is doing.

A variety of communication channels are provided within BT:

- BT's intranet is one of the largest in Europe and its most popular sites receive anything up to ten million hits a month;
- *BT Today*, a monthly tabloid newspaper, is sent to all employees and many BT pensioners;
- the on-line BT Newsdesk, for company and industry news, which is updated 24 hours a day;
- BT Vision, an internal broadcast television programme, which can be viewed at hundreds of sites throughout the UK;
- Communique, a quarterly e-zine for BT people outside the UK;
- BT Newsline, a taped news service, which attracts 20,000 listeners a month;
- regular face-to-face employee briefings and events in every part of the organisation.

Every year, a Communications and Attitude Research for Employees (CARE) survey is implemented in which everyone in the company is invited to take part.

Towards the end of 2000, the CARE survey was implemented which was completed by 67 per cent of BT people. A key measure within CARE is the "People Satisfaction Index" (PSI)". The PSI is created by grouping a number of questions together and averaging the responses. The CARE 2000 PSI was 65 and against the CARE 1999 PSI of 66. The PSI target for the next CARE survey is 67.

Some sample responses from the survey include, 'BT does an excellent job of keeping employees informed about matters affecting us.' With the scoring being 1999 – 50%, 2000 – 41%, this was the second lowest rating of the survey (after fairness of job selection). The statement 'I am satisfied with my working environment' scored 61% satisfied in 2000, against 62% in 1999 (BT, 2001).

#### **5.2.4 e-peopleserve Service Provision**

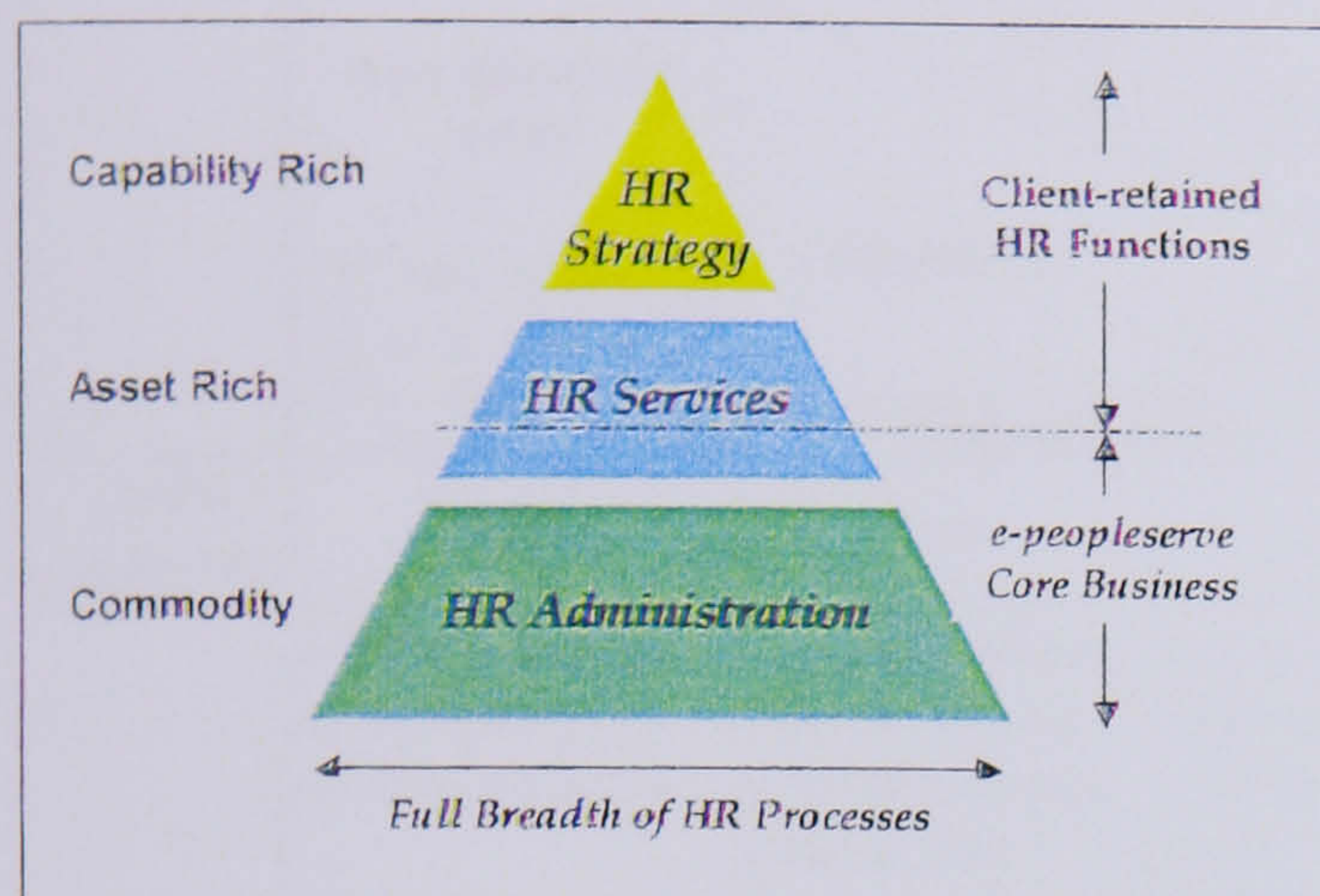
BT has a five-year contract (from September, 2000) with its subsidiary, e-peopleserve, to provide the HR administrative services for the whole company. This section will outline the e-peopleserve service provision as background information to the following section on the HR function in BT.

Figure 5.3 illustrates how e-peopleserve position themselves within the provision of HR services. They estimate that about 50% of administrative work will be eliminated,



leaving a further 15 to 25% of cost to be taken out over the five-year life of the contract through reengineering and economies of scale.

Figure 5.3: Distribution of HR Role Using e-peopleserve



Source: e-peopleserve, 2002a: website.

The activities which encompass the e-peopleserve-BT HR service offering are chosen from the list shown in Figure 5.2. Some are included within the BT-e-peopleserve core pricing structure, while others are optional and incur additional charges (out of managers' budgets).

e-peopleserve's service to BT is based on four levels of contact, with a planned filtering process (Figure 5.4):

**e-HR self-service tools** are the first point of contact - a target of 80% of customer enquiries will be handled on-line by the e-HR front end, without the need for manual intervention.

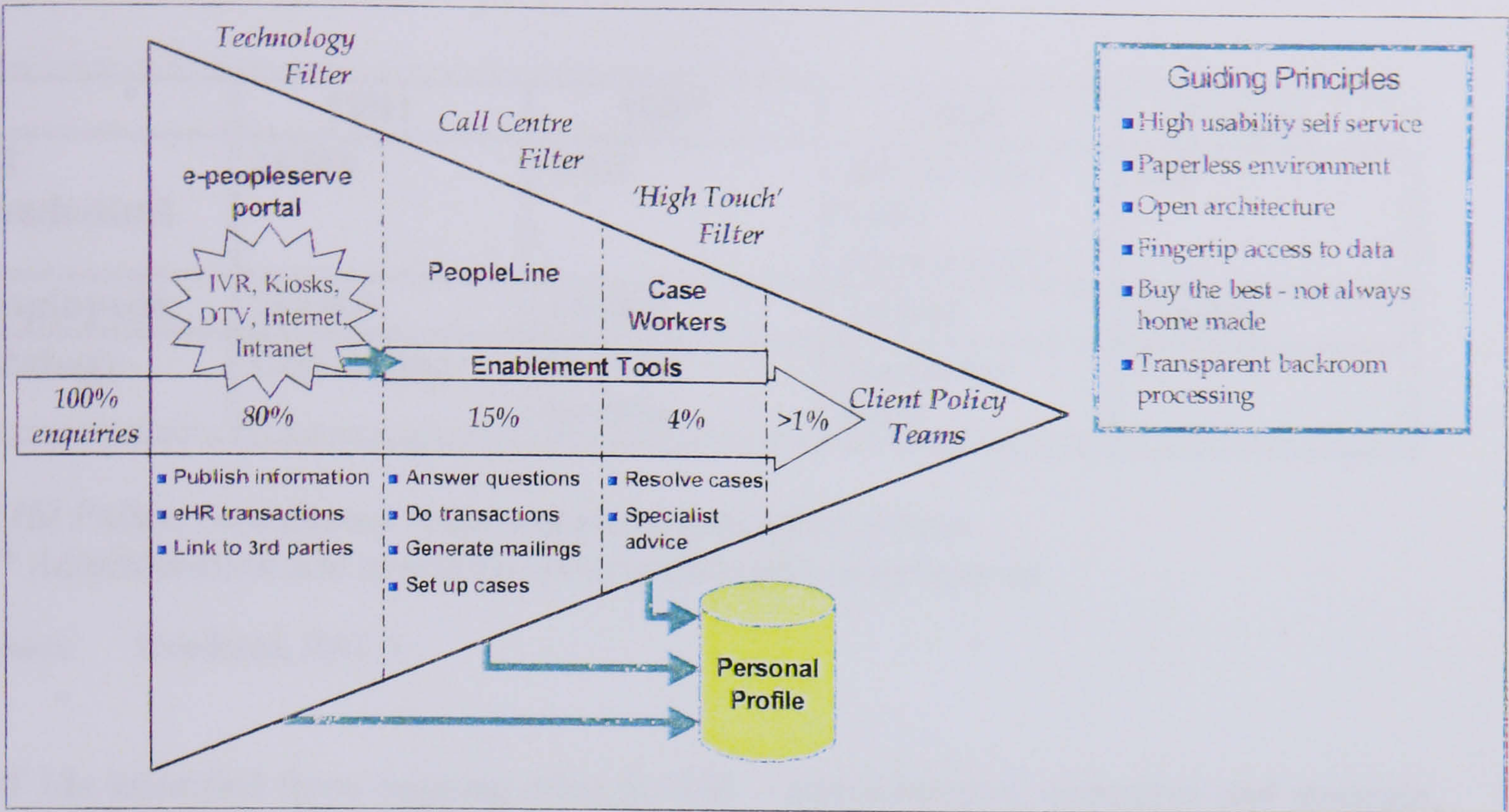
**Peopleline**, is the established HR telephone service centre which provides help for employees and managers with routine problems - where enquiries cannot be handled online, a further 15% will be resolved by PeopleLine.

**'High Touch' service** which employs specialist case workers and content experts to provide more detailed or specialist advice or guidance or to aid problem resolution (e-peopleserve website). As some enquiries will require additional knowledge to resolve them, it is targeted that 4% of the more complex issues will be handled by this service.

**Client Policy Teams** – a target of no more than 1% of enquiries will be referred back to client HR policy teams for resolution.



Figure 5.4: e-peopleserve Planned Contact Levels



Source: e-peopleserve, 2002b: website.

### 5.2.5 The HR Function in BT

While HR is not represented on the main Board of Directors in BT, the most senior HR position, is that of John Steele, the Group Personnel Director, who sits on the Executive Committee. Within each division, an HR Directors is a member of the Board of Directors and reports to the divisional Managing Director. The decentralisation strategy of the last few years has seen the Group HR function reduce from about 190 people to approximately 30. The intention was to mirror the operational structural relationship and to have each division such as BT Retail, BT Wholesale run separate HR functions with limited Head Office harmonisation. This strategy now appears to be in the process of changing, but as yet, there is no definitive information.

The HR function, just as the number of employees has halved over the last ten years, has seen a proportionately larger reduction in their ranks (see Table 5.2). HR costs have also been reduced by 45% between 1997 and 2000 (Woodhead, 2001). HR has also adopted a partnership approach in their relationship with the rest of the company. For example, HR Representatives as Account Managers overview all HR services for their business units and are responsible for “customer” relationship management.

HR’s commitment has been externally recognised through the company’s ongoing accreditation to the UK’s Investor in People standards (IiP) and in January, 2001, BT achieved re-assessment against the new “outcomes-based” IiP criteria.



**Table 5.2: HR Headcount Reductions in BT**

	1991	1997	2000	Future
HR Headcount	14,500	3,300	600 internal* 1,000 outsourced**	350
Employees	250,000	140,000	120,000	110,000
Strategy	Cost cutting	Central services	Search for value	?

\* HR Policy, consultancy roles, organisational effectiveness  
\*\* Administration and specialist services through e-peopleserve

Source: Woodhead, 2001: 2.

BT has identified three ongoing roles for HR – administrative, executive and strategic, where the administrative role is kept separate from HR’s involvement in strategy (Woodhead, 2001). To achieve this, e-peopleserve provide the administrative services on a contractual basis, which includes third parties, to ensure recognised expertise in each area (See Figure 5.5: HR Vertical Alignment and Integrated Data).

Technology has been the essential support tool to enable BT’s HR function to cope with increasing organisational and customer demands while facing swingeing headcount reductions. The transition from traditional HR to an e-HR, more streamlined provision, has required both development of the appropriate technologies as well as the skills of HR personnel to plan and implement effective e-enabled solutions. As Table 5.3 illustrates the process has, so far, taken some ten years.

**Table 5.3: Transition of e-HR Model in BT**

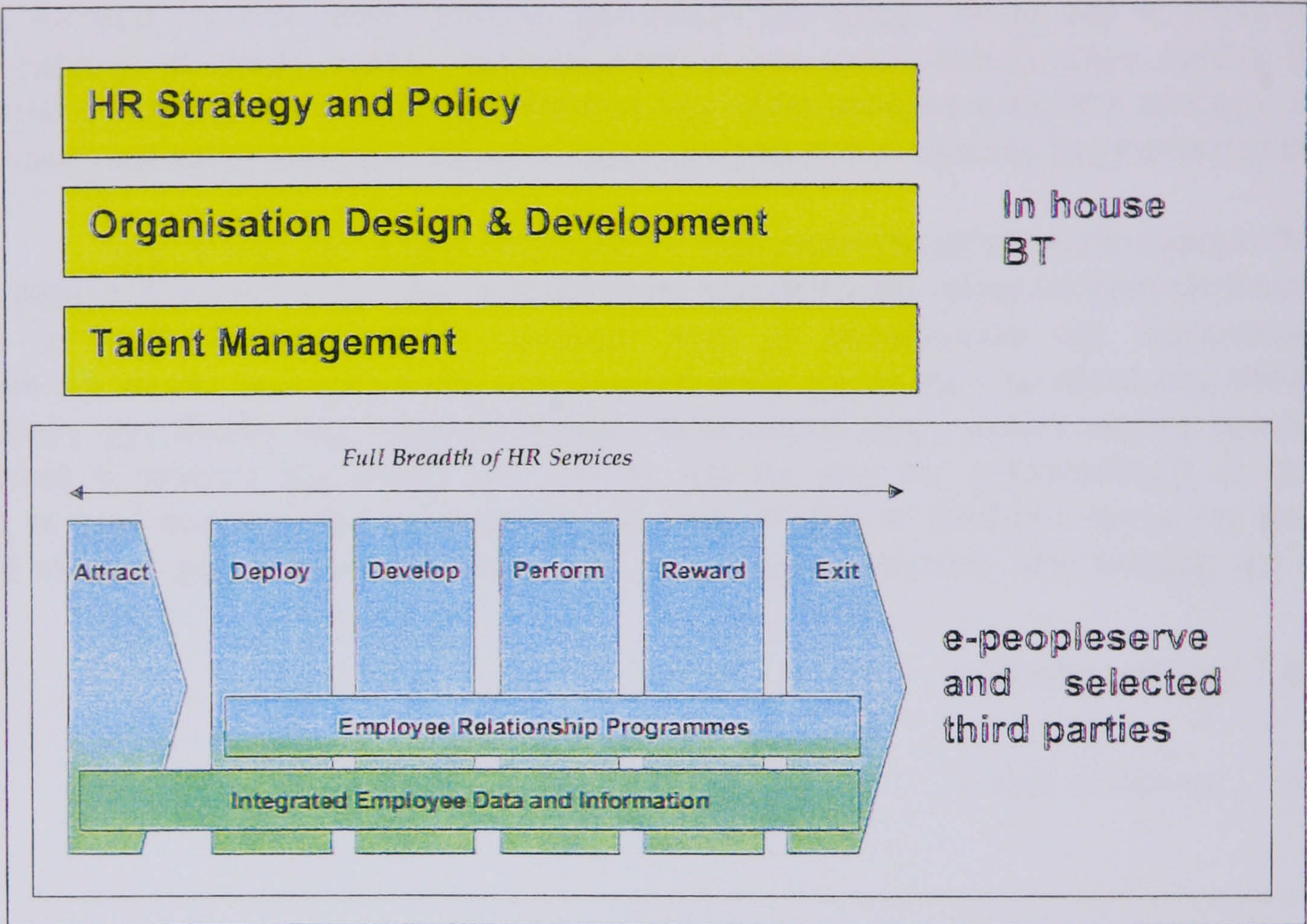
1991	Current
46 Bespoke HR systems	One core HR system (ePeoplesoft)
30+ Helplines	One Helpline
90 Physical sites	3 Shared Service Centres
Bureaucratic, paper based	Self-service, desktop HR system
HR focused on transactions	HR focused on strategy
Low customer satisfaction	Increased customer satisfaction

Source: Woodhead, 2001: 6.



BT Group HR have produced a strategy document in 2000 for the Group HR Intranet (see Appendix J for e-HR Strategy Overview). All documents referred to within this thesis are currently still in use by BT as of July, 2002.

Figure 5.5: BT HR Vertical Alignment and Integrated Data



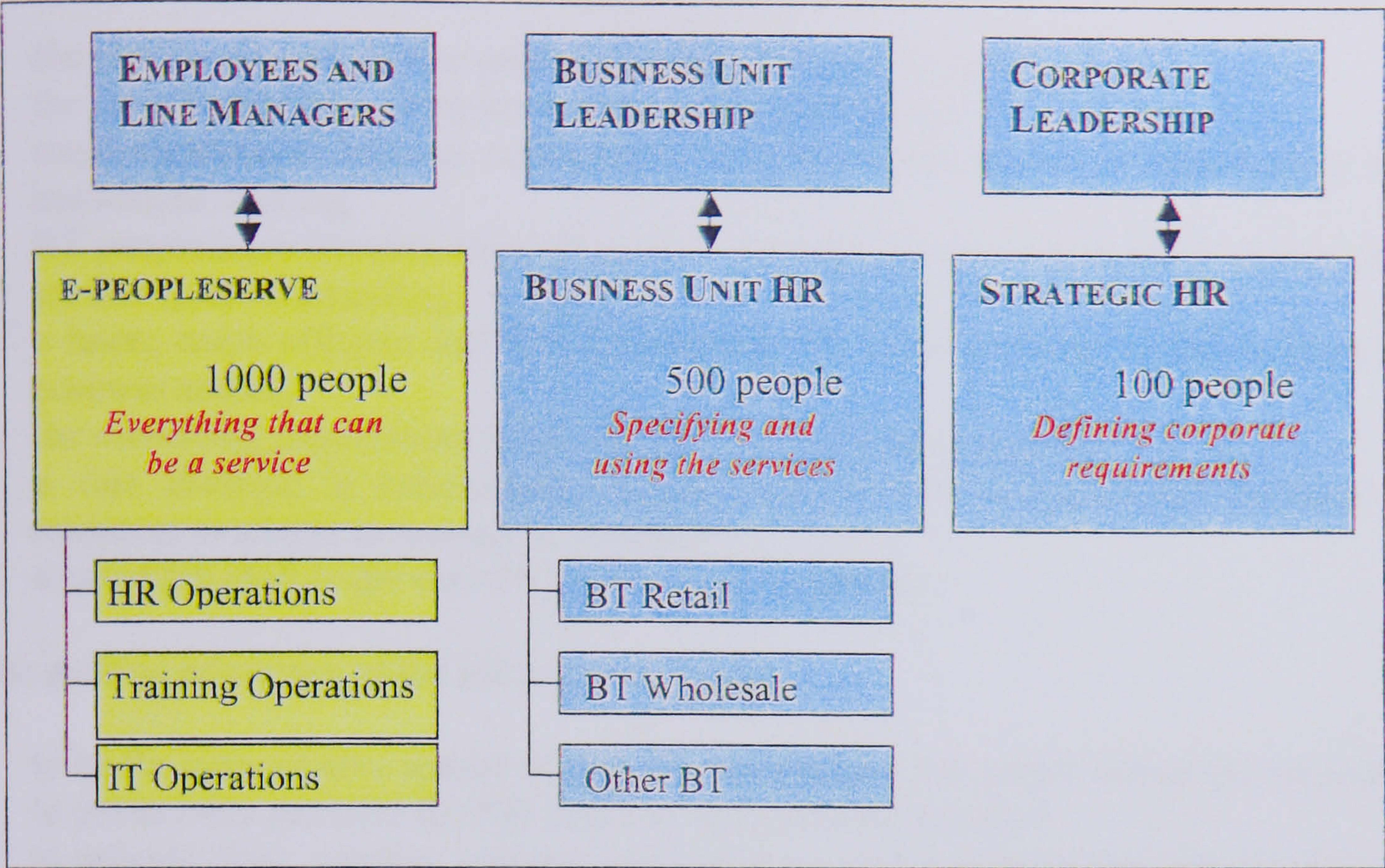
Source: Woodhead, 2001: 5.

Thus, the new HR organisation (Figure 5.6) has been the result of a radically changing internal and external environment. BT's model of how HR should be structured to achieve its organisational goals comprises three layers. The first encompasses the strategic level with the aim of defining BT's HR corporate requirements. Although 100 people are identified for this activity, a major HR redundancy program was implemented towards the end of 2001, so that approximately 30 remain today (conversations with original Group HR contact who was also made redundant, and with current contact). Each separate company or business unit within BT has its own HR group, so that the different HR roles such as HR Director, Compensation and Benefits Manager, HR Intranet Manager exist in each company.

e-peopleserve provides the operational level activities to line managers and employees, although the model does not seem to identify the role of internal BT HR personnel and line managers in carrying out HR activities at the operational or middle management levels. The model also appears not to distinguish any connections between the three groups, but is presented as three separate and distinct units.



Figure 5.6: The New HR Organisation in BT



Source: Woodhead, 2001: 8.

5.2.6 The HR Intranet

The HR Intranet was launched in June, 1997 and comprises a Group HR Intranet that covers the whole company as well as local HR Intranets for each division such as BT Retail or BTopenworld. As with the BT Intranet, the Group HR Intranet is loosely regulated by the Group Chief Information Officer (GCIO). The Group HR Intranet Manager has never met his GCIO. Each division also has a CIO who carries the same responsibility: the development of their intranets; security and integrity of the information held on them; the e-services (transactional and collaborative) provided on them; reliable operation of the underlying infrastructure (HRS - BT Doc 6: S7).

Each divisional HR Intranet is operated separately with the result that there are currently very different standards between them. For example, BT Group and BT Retail have a Help facility while Concert does not; or that Frequently Asked Questions (FAQs) are only listed in Job News. While the Group HR Intranet issues specific policies and strategy about its operation (see Appendix K on Policy on Information Management (part of HR Intranet Strategy, 2000/01) and Appendix L for Online Publishing Standards), these do not cover the divisional sites. Indeed, the Group HR Intranet Manager has been “headhunted” by BT Wholesale to sort out the strategy and standards for their own HR Intranet.



The Group HR Intranet has evolved substantially and is currently operating its third version (see Table 5.4). BT have identified a number of business objectives which are driving these changes (Edwards, 2000):

- the introduction of on-line procedures and processes i.e. e-HR;
- the introduction of a corporate content management tool;
- improvements in intranet technology, allowing faster access to information and knowledge sharing;
- BT people have become more IP literate and sophisticated where their expectations are now more demanding;
- a faster, more efficient and less bureaucratic HR service is now expected from the business arenas;
- the increasing requirement to use what BT sell to their customers;
- a vast increase in information content coupled with a significant decrease in resources available to manage it 'centrally';
- a paradigm shift in the way BT has become 'e'-nabled.

The guiding principles of the HR Intranet site are:

- to be the authoritative source of core HR information for people across the company
- to proactively promote the HR function and services provided
- to provide clear, concise, accurate and easily accessible information and services on all company-wide HR issues on the assumption that divisional sites will hold localised HR specific information
- to reinforce the transformation of HR by exploiting new technical developments and publicising e-HR developments
- to provide a two-way communication channel through feedback routes
- to provide the HR community with interactive access to information intended for use solely within the HR function.

**Table 5.4: Third HR Intranet Redesign: Changes Made**

Number of....	Old Site	New Site
'Live' pages	20,000	1026
Sections	9	13
Sub sections	150	117
Individual articles (subjects)	500/1000	319
Additional file downloads	2000	201
Registered content owners	130	53
Owners who update own pages	12	53

Source: Rose, 2001: 6.

The Group HR Intranet contains pages which are relevant cross-company and covers policies relating to employment, equality and diversity, health and safety handbook,



HunteR (HR information but can be accessed by all), jobs, pay and benefits information, news, a limited managers' guide, safety procedures and personal development. These aspects of the site are currently for information provision only, are static and total package of information is presented e.g. Safety –Working with Creosote, without any customisation of information. In addition, relevant external websites can be accessed e.g. ft.com, Personnel Today. Also available through the HR Intranet (or the general BT Intranet) is e-Gatekeeper which is an interactive medium and covers expenses submissions, Academy learning (online training course booking facility), pay slips, business mileage recording, company car selection, P11D, and company property management (e.g. mobile phone and computer used by employee). This section of the Intranet is password protected. E-Gatekeeper is "owned" by the Finance department.

e-HR is also a separate password protected section which covers many of the transactional services that used to be done by HR. Thus, an employee's personal details can be changed by the individual concerned. There is no connectivity however, at present to assist decision making such as between language skills and vacancies or Personal Development Review (PDR) outcomes and training course notification and booking. See **Appendix M**: The Group HR Intranet Home page.

#### **5.2.6.1      *Measurement***

This is the fifth year of operation for the HR Intranet. Information as to its success or performance has been somewhat limited. The only metrics which are currently available for analysis are page hit statistics (see **Appendix N** which are relevant for the Group HR Intranet only). Thus, while it is known that since January, 2001 the Group HR site has received 2,354,393 hits, there is no information, for example, what users were looking for, what was useful or how long people spent on the site and where. In addition, Group HR does not receive information about the performance of the other divisional sites. Last year, however, the first Human Resources Website Survey was implemented to investigate user opinion about the site.

#### **Human Resources Website Survey**

The Group HR Intranet Manager ran the first survey of internal customer opinion about the site from 26 July to 8 September, 2001, producing a report in October from which the following information is drawn. The online survey appeared as a pop-up questionnaire on the Group HR website. 1094 surveys were completed of which 51% were at managerial level. The survey did not include the e-HR services or the separate company HR websites such as BT Retail or BT Wholesale. There is no information available in Group HR that any customer research has been carried out by divisional HR about their own website, nor has any been received from e-peopleserve about Internet (or telephone) provision of their services.

The divisional profile of respondents is represented below in Figure 5.7 and broadly reflects the divisional staffing ratio within BT:



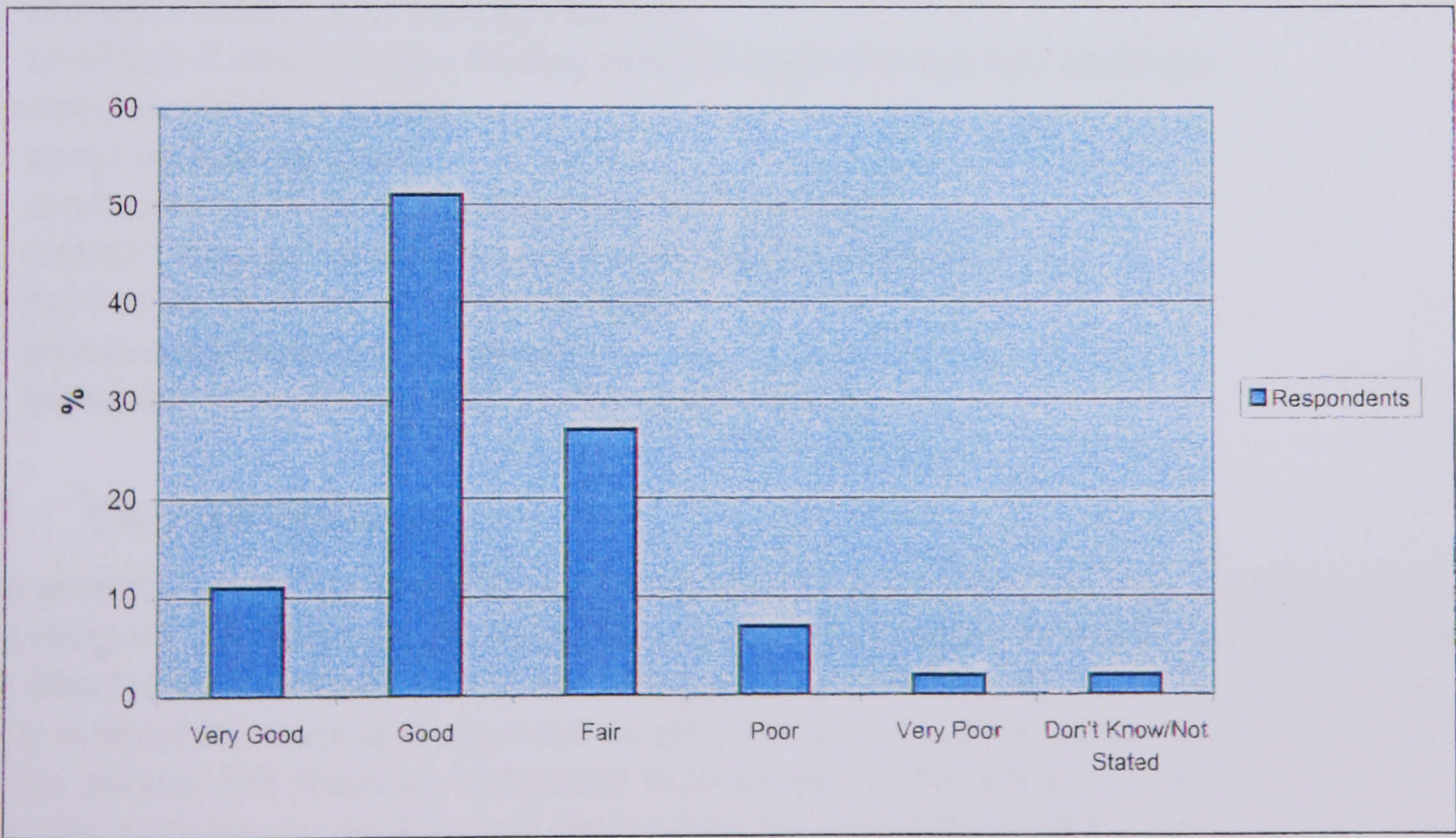
Figure 5.7: Divisional Profile of Respondents, Group HR Website Survey



Source: Edwards, 2001: 8.

The overall rating of the HR Intranet by participants is illustrated in Figure 5.8:

Figure 5.8: Overall Rating of HR Intranet by Respondents, Group HR Website Survey



Source: Edwards, 2001: 21.

In addition, respondents identified their likes and dislikes of the Group HR website (Table 5.5):



**Table 5.5:           Group HR Website Survey – Respondent Likes and Dislikes of Site**

LIKES	DISLIKES
<ul style="list-style-type: none"><li>• information it gives/relevant information</li><li>• the look and clarity</li><li>• good layout</li><li>• clear links</li><li>• convenient</li><li>• easy to navigate</li><li>• plain English – no gobble-de-gook</li><li>• easy to comprehend</li><li>• user friendly</li><li>• provides good reference point</li></ul>	<ul style="list-style-type: none"><li>• real problems finding information</li><li>• the A-Z page finder</li><li>• training and development search engine</li><li>• front page doesn't invite user to look further</li><li>• system can be slow</li><li>• contact details for further help missing</li><li>• waffle and HR-speak</li><li>• range of information</li><li>• not always up-to-date</li></ul>

*Source:* Adapted from Edwards, 2001: 17, 24 and 25.

As a result of the findings of the BT Group HR Website Survey, the following recommendations are currently being considered (Edwards, 2001: 28):

- improve BT search facility
- introduce clearer sign-posting/indexing
- review A-Z structure (for finding specific pages through key headings)
- consider usability testing
- speed up loading times
- more robust linkups with e-peopleserve/Peopleline
- explore 'ring me' facility to assist with specific HR info
- explore an 'Ask Jeeves' style function
- introduce personalisation option
- introduce 'always available' on-line questionnaire.

**5.3     CHAPTER SUMMARY**

The present chapter has provided a contextual overview of BT, the case organisation for this research. The information within this section has focused on relevant factors such as the history and development of the company, its industry and external environment, BT's internal structure and approach to HR and people management, as well as its use by the internal HR function of Internet technology for the supply of HR services. This provides a contextual background from which to more fully evaluate the findings of the main study which are presented in the next chapter.



## CHAPTER SIX:      MAIN STUDY FINDINGS AND THEORETICAL CONNECTIONS

### 6.1 INTRODUCTION

Following Chapter Five, which outlined the organisational context in which this single case research is being undertaken, this chapter presents the findings of the main study conducted in BT and e-peopleserve. At the same time, each discrete section is analysed against the existing theory and research that had been identified, in Chapters Two and Three, as relevant to the focus of this study. Initial interpretations are also posited with regard to the meaning of the data. The theoretical validation of the findings is justified from the viewpoint of realism, the philosophical perspective of this research (Bhaskar, 1989). The analysis in the light of generalisable theories is provided with an explanation of the existence of similar underlying mechanisms that structure the actions of the social actors in related fields of knowledge; and, in the second, the application of these theories is extended into a new research area (Tsoukas, 1989).

Furthermore, through the use of the single case, possible contrasts are sought out (Hartley, 1997) enabling both the creation and importance of theoretical constructs to be highlighted (Eisenhardt, 1991; Yin, 1994). Case research also aims to contribute to knowledge by relating its findings to existing theory (Easton, 2000) as this enhances the internal validity, generalisability and the theoretical level of the theory it develops (Eisenhardt, 1989).

The data were collected through structured open-response interviews (King, 1997) with the key actors in the phenomenon under investigation, namely thirty HR suppliers and thirty HR customers at managerial level. The interview format allowed provision for additional questions and probing according to responses. Extensive documentation from both companies was also collected (**Appendix C**) as a source of information and triangulation through corroboration (Healy and Perry, 2000). The selection of both HR suppliers, as well as HR customers, for the focus of this research provides a comparison of the responses to identify any incongruence between the expectations and perceptions of utilising HR Internet services between the two groups.

All interview notes and transcripts, as well as collected documentation were entered into the computerised qualitative data analysis program, NVivo 1.3, for examination and to provide an audit trail of the analytical procedures carried out during this research (Silverman, 1993; Richards and Richards, 1998). Because of the quantity of data produced from the sixty interviews and documentary material, only samples of the quotations that support the findings are presented for illustration. The managers were asked about the HR intranet, which they used personally, and this included the HR Group intranet, e-HR and the other divisional HR intranet sites they accessed including e-Gatekeeper. HR suppliers were asked questions which predominantly required their perceptions of managers' opinions about the HRIA.



How the case data are presented is an important consideration within academic research (Scandura and Williams, 2000). Thus, care is needed to ensure that the presentation enables:

- a) a reader to clearly identify each discrete finding, understand how it was reached (Miles and Huberman, 1994) and provide an 'indication of the care with which the research was conducted' (Yin, 1994: 124);
- b) a researcher to isolate and understand each separate component of the results which may, in the later analysis and discussion of this study for instance, become an integral part of a composite finding. This allows future researchers to be able to investigate alternative perspectives of each finding in isolation or in different combinations;
- c) a clear logical progression of evidence to be easily followed and which illustrates and explains the development of the findings in relation to both previous and subsequent points (Miles and Huberman, 1994);
- d) the quality of the methodological trustworthiness of the research to be assessed (Healy and Perry, 2000) through the illustration of the multiple perceptions of key respondents and the inclusion of all the relevant findings (Yin, 1994). The latter is important to 'make sure that (the) analysis is of the highest quality' (Yin, 1994: 123), highlight the absence of bias (Miles and Huberman, 1994) and fully provide supporting evidence for the justification of the format and content of the discussion and model/propositions.

In order to achieve the above, the researcher considered several structural options for the presentation of this chapter. These included formatting the analysis around the research questions, the interview guides or the emergent themes that had been identified. It was felt that the approach, which most suitably encompassed the above requirements, was to use the structure of the interview guides. While the research questions were an important part of the study, it had been identified from the pilot that there were other issues to be explored in the main study since, because of the small pilot sample, clear patterns in several had not as yet been distinguished. Thus, there were possibly important aspects to be considered that would be beyond the scope of the research questions. This indeed proves to be the case and to limit the research at this stage by only addressing the RQs would not include all the findings and therefore would not be appropriate.

With regard to overarching themes, Yin (1994) identifies that this approach applies more to multiple cases where predefined themes are used to synthesise the lessons from each case example. This thematic presentation is organised around each topic accordingly with appropriate examples being drawn from all the cases but none is presented as a single case study. For the researcher, predefined themes were not necessarily apparent from the literature review and if used, may not have been supported by the actual findings. It is only after the complete analysis of the findings that these themes can truly be defended as emerging as important factors within this context. Thus, 'we should be able to see how key concepts emerged over time; which variables appeared and disappeared; which codes led into important insights' (Miles and Huberman, 1994: 304).



In addition, what might be relevant for this case, could be very different in other environments. Thus, factors identified in the literature such as role conflict, ICT adoption issues or lack of a separate HR department within the organisation could mean that very different major themes emerge in relation to investigating the impact of the use of HRIA. A thematic presentation would also not be a precise fit for answering the specific research questions and because of considerable interconnections between them, clumsy repetition and structural manoeuvring may reduce the clarity and impact of the presentation. Consequently, the identification and implications of each of the themes is built up through this chapter as findings transpire (Erickson, 1986), and the extended incorporated discussion of these categories and their implications is accomplished in Chapters Seven.

The choice of presentation format is therefore that of the questions and answers from the interview guides. As well as meeting the presentation criteria mentioned above, this format allows readers to easily find exactly the relevant portion of the case in which they are interested (Yin, 1994). In addition, this layout answers the research questions as well as acknowledging the appearance of each of the key themes and factors as they materialise throughout the presentation, thus providing a traceable justification for the emergence of these context-related overarching trends. A further quality criteria is also achieved in that every question, as projected from the broad structure and content of the conceptual framework, was geared to build up as complete a picture as possible for the most significant aspect of this case (Yin, 1994), so that 'the most suitable HRM content for each context...(using) rigorous empirical methodology' (Sparrow and Daniels, 1999: 59) can be recommended through the explanatory model, case discussion and conclusions.

To include the total question and answer material from the interviews with the inclusion of theoretical connections to the text, however, would result in the size of this chapter becoming too unwieldy. Therefore, because of the amount of data to be presented, those sections, which are perceived to encompass background or aspects less central to the previously mentioned main focus, are included within the appendices and a summary is presented in the main text.

Quotations in this chapter are identified by the participant's category, HRC (HR customer) or HRS (HR supplier), his or her NVivo code number and the NVivo transcript section locator of each quote (S = section). The distinction between external and in-house HR suppliers is only identified where it is relevant to the quotation or a difference of perspective between the two HR groups is being noted. Presentation of two or more quotations in a table, unless differently designated, start with positive comments and progress to negative ones to illustrate and provide supportable evidence of the range of perceptions.

Sections 6.2 through to 6.5 presents details of the role of managers and the HR function within BT and the mutual perceptions of the relationship which exists between the two groups as well as background information on participants' experience and opinion of the Internet. Section 6.6 provides the major portion of the chapter detailing HR customer and supplier's satisfaction with key aspects of the HR Intranet in BT. The final section, 6.7, provides a summary of Chapter Six.



## **6.2 SUPPLEMENTARY FINDINGS I AND II**

As an exploratory study of a phenomenon that appears neither to have previously been investigated in the HR field nor to have been the subject of extensive empirical examination in either the ICT or internal marketing disciplines, the conceptual framework was developed to allow flexibility with regard to the relevant factors identified from the literature (Miles and Huberman, 1994). Thus, it was possible to explore, during the interviews, a wide range of probable variables and issues (Cavaye, 1996) significant to this topic. As a consequence of this, some of the findings identified as relevant to the outcome of this single case may be different in other later research studies of this phenomenon. However, as mentioned above, to ensure the quality required of both qualitative (Yin, 1994) and realist case research (Healy and Perry, 2000), the full analysis carried out is provided, with those findings that serve more as background to the main phenomenon being available in the Appendices. A brief summary of the Appendix section findings is provided in the main text to aid continuity.

### **6.2.1 Perceptions of and Attitudes Towards the HR function Within BT**

This section (Appendix O – Supplementary Findings I) exposed the influence that the BT context has on participants' perceptions of the HR function. Thus, historical, structural, operational and leadership factors were identified as playing a role in shaping individual observations as to how the HR function was perceived within the company. Perceptions were widely disparate but there was recognition by both HR customers and suppliers that the quality of HR performance in BT was based on the attitude and ability of individual HR representatives rather than consideration of a cohesive functional accomplishment. In addition, issues about communication and information about HR were raised. The section thus provided an introduction to inconsistent and misaligned elements that appeared to permeate the organisation, as more layers were uncovered.

It has previously been noted that the HR literature on the perceptions of middle managers has been largely silent (Skinner and Mabey, 1997) which makes direct comparisons of the findings more problematic. This section thus begins the process of filling an important gap in presenting an in-depth analysis of manager perceptions and attitudes from a number of differing perspectives. However, of importance to the impact of the context in which the managers work, influencing these perceptions and attitudes (Jackson et al., 1989; Fondas and Stewart, 1994; Rodham, 2000), is the implication that these opinions may be changed and managed. Thus, relevant aspects of the context may be consciously influenced to improve any negative outcomes. From the literature, effective communication (Ulrich in Huselid and Becker, 1999; Floyd and Lane, 2000) and an HR strategy that is designed to achieve consistency of service quality (Barney and Wright, 1998) appear to be key in facilitating more favourable perceptions at managerial and more senior levels.

### **6.2.2 Perceptions and Attitudes Towards the Internet**

Appendix P (Supplementary Findings II) identified that all the participants in this research were frequent users of the Internet and they would be regarded as experienced



since they had been using it on average for 4-5 years at BT. Both HR customers and suppliers recognised the increasing importance of using Internet technology in their work roles. The availability of access to the Internet at their desks, its speed at accessing information together with it becoming the only way of carrying out many work tasks were the main reasons participants gave for using the Internet at work. The majority of respondents (92%) were positive about the Internet, although there was also recognition of some of its downsides.

The Internet experience profile of BT managers, both HR customers and suppliers is an important one to note with regard to both the case context as well as individual personal factors of the respondents. This may be a useful comparator for later studies since the ICT literature has already identified that success factors for early adoption phases and/or inexperienced users appear to be different to those who have had significant experience with a specific technology (Davis et al., 1989; Thompson et al., 1991; Adams et al., 1992).

### **6.3 THE ROLE OF MANAGERS**

Within the sample of 60 managers, 50% had only ever worked for BT and the average tenure was 17 years. This in itself meant that many of those who had worked in other environments had done so many years ago. In addition, as each respondent recounted their history of employment within the company, the impression gained was of continual movement (average tenure within a role is 21 months). BT had provided many with the opportunity to move into numerous departments and activities which, if they had applied for the position to an external company, they would not have been considered because of their lack of experience or qualifications for the role. Many of the respondents had gained qualifications while in BT and some had gained all of their qualifications. The opportunity to take on many roles has meant that some managers had previously worked in HR (10%), while a greater number in HR (50%) had performed in non-HR operations' management roles.

The roles of most of the managers in this study had changed substantially with the impetus for this identified as the company itself and their own customers' increased expectations (Storey, 1992). The extensive downsizing that had taken place (and is still continuing in BT) has meant a wider remit for many, higher productivity requirements and considerable staffing variations to achieve this. Many managers worked in highly technical environments and the changing technology was identified as both a catalyst for their changing role as well as a tool to enable them to become more effective as illustrated in Table 6.3.1.

There is a strong underlying implication, as well as some overt statements, identifying the need for increased support for managers to be able to achieve the new demands they are facing. This may be through training and coaching, further qualifications, appraisal or simply appropriate communication and information as required.



**Table 6.3.1:      Managers’ Changing Roles**

<b>HR CUSTOMERS</b> <i>Yes, I think probably the customers’ expectations have changed. They want more for less and as time goes on and contract goes on this has increased. It’s a managed service and they’re looking for more and more for less money. Recently, the expansion of this industry has ground to a halt a bit so our expectations are different in terms of cost cutting. (HRC23; S16)</i>
<i>I think, as always in area I’m working in, customers’ expectations are growing. Before bits of paper with numbers on and they’d drop to their knees and you were like a god. Now expectations are upwards - external as well as internal within our area - deliver more for our customers - everyone expects more. (HRC25; S16)</i>
<i>Continually, because of organisational changes all the time, responsibilities change, new programs appear, my involvement happens or gets removed. It’s a constant flux. (HRC28; S17)</i>

Source: Interview Data

With regard to the current roles of the customer respondents, even those who did not manage a team (and with the manager role in BT this frequently occurs), they were quite clear on the nature of their core role, even those who had written their own job description as it was a new role and they had shaped it as they went along (Fondas and Stewart, 1994). Many managers mentioned HR aspects (as shown in Table 6.3.2), perhaps sub-consciously, as part of their role, even if later they then indicated a low need for HR or felt unsure of their ability (Poole and Jenkins, 1996) or desire to take on basic HR activities (Yeung and Brockbank, 1995).

**Table 6.3.2:      HR Activities as Part of Managers’ Roles**

<b>HR CUSTOMERS</b> <i>I do end to end delivery management, new products, whole delivery including processes written, tested, training, communication etc. (HRC14; S14)</i>
<i>We’re focusing on a project, ISDN30. It has some problems in terms of results for customers. Profitable for BT but customer satisfaction not as good as it should be. We’re looking to improve performance and my role is to understand where problems are and identify solutions to problems. Some are systems, implement them in right place for right people and right training to get benefits and measure them afterwards. (HRC12; S14)</i>

Source: Interview Data



Some HR respondents had limited understanding of their customers' role issues or needs (Skinner and Mabey, 1997), while others appeared very clear on the implications faced by managers within the company. Different HR groups throughout BT had produced documents incorporating plans and strategies, but there appeared little action taken beyond the writing process itself. Table 6.3.3 illustrates two such differing perceptions, the first from a formal HR document and the second from an individual HR manager. There appeared to be a contextual HR expectation that is repeated throughout this study that if something is documented, it will automatically happen. While some HR managers recognised this deficiency, others did not.

This seemed to signify a particular approach taken by the HR leadership within BT. Monitoring of HR actions and achievements, although apparently carried out on an individual level during appraisals, did not appear to have been effectively implemented by, or towards, the collective BT HR function. Even the heavily publicised yearly employee CARE survey was only begun in 2000 and its questions are couched in the broadest terms (such as 'I am satisfied with my working environment'), which do not allow the identification of specific problem areas. In addition, responses are grouped together and averaged and the 2001 survey "satisfaction" quotient in BT was 65% with the next target being 67%. Both these figures appear low and seem to support previous findings that HR do not push themselves or challenge low expectations if they can get away with it (Kinnie and Arthur, 1996).

With regard to the HRIA, only one HR intranet survey had been carried out in the past 5 years, but this only covered one part of its service provision and excluded e-HR and the divisional intranets. No other performance evaluation documentation or information for any e-enabled HR service throughout BT has been located. This reflects poorly on the HR leadership in BT and indeed, the general leadership throughout the BT group. There are possible negative implications, not only for the example being set to the HR function as a whole, but that there appears to be an element of misrepresentation or disregard concerning the attitudes and opinions of BT employees at all levels and the development of a culture in which this is deemed acceptable.

Table 6.3.3:      **HR Perceptions of Managers' Role**

<b>HR SUPPLIERS</b>
<i>Employee communication is a principal line management responsibility. Line managers should encourage open and pro-active communication in their teams aimed at furthering understanding of the market place, business goals and how the team can work together to generate innovation and improve performance. Line managers should add value to 'top down' messages by putting them into context of the local situation and encourage their people to provide feedback and raise relevant issues up the management chain. (BT &lt;Division&gt; Employee Communications Plan; S28)</i>



*There's a belief in BT, once you become a manager, you're hit with pixie dust and know how to manage people. Not enough specific training solutions to allow managers to bring problems and learn how to deal with them within company policies and procedures. (HRS23; S19)*

Source: Interview and Documentary Data

6.3.1 Devolution

The expanded managerial role has partly been a result of the devolution of different HR activities to the line. Beyond the increased responsibility and pressure this has brought, there are some issues about role ambiguity (Bevan and Heyday, 1994) as well as the adequacy of HR support and training to enable managers to be able to perform these new activities satisfactorily. Those who felt most comfortable with carrying out HR activities were, unsurprisingly, those who had spent time working in HR. Table 6.3.1.1 provides some differing perspectives on HR devolution.

This research appears to support the limited empirical findings of the HR literature on devolution (McGovern et al., 1997), which exposes the practice more as a mechanism for HR to achieve their own strategic aims (Wilkinson and Marchington, 1994), with little consideration given to the needs or wishes of the managers concerned (Bevan and Heyday, 1994; Cunningham and Hyman, 1999). This experience of HR by the managers has resulted in their expectations and attitudes being shaped according to how they perceived its impact on themselves and their role performance.

Table 6.3.1.1: Perceptions of HR Devolution in BT

<b>HR CUSTOMERS</b> <i>The more that gets devolved, the more pressure on me. Two to three years ago an awful lot of the HR role passed to management and there was resentment, but now for me, it's business as usual. I don't mind taking the decisions but some aspects are cloudy e.g. special leave, I may be very strict but in another unit may be more or less strict - it's not consistent and needs to be clear. (HRC3; S19)</i>
<i>Over the years, a lot of things have come back to us. Not a bad idea but haven't been given the background support or training to enable us to do it. (HRC11; S16)</i>
<b>HR CUSTOMERS (PREVIOUSLY IN HR)</b> <i>Yes, well I was quite comfortable with it probably because I had a decent background in personnel and I was comfortable and happy as a team manager, but some comments from colleagues though not so comfortable. (HRC12; S18)</i>



<i>I don't have a problem but it's my background but others wouldn't agree. Devolution involves trust and integrity but it isn't always there. HR losing control of its responsibilities. (HRC15; S18)</i>
<b>HR SUPPLIERS</b> <i>I guess they'd prefer to carry on with their core activities. One, there's a time issue, everyone has more than enough to do. Secondly, they don't feel skilled enough to do different HR activities. (HRS22; S19)</i>
<i>I'm the type of person who thinks they should own more. Lots of BT Managers- old school, 20 years plus service, not the right people to drive this, not keyed up to do it and stick by decisions. They can't manage people or outcomes by differentiating salary review according to merit rather giving a 2% across the board. I wouldn't say BT has devolved as much and maybe line managers don't realise it's been devolved or received right training to cope with it. (HRS8; S22)</i>

Source: Interview Data

6.3.2 Managers’ Expectations of HR

The managers’ expectations of HR mirrored the increased expectations that had been placed on them (Table 6.3.2.1). They particularly sought to obtain support for HR issues and while some managers found the level of interaction they required, others did not. The level of expectation of some managers had not increased but decreased. This was explained by managers as being due to their past experiences of HR and the poor level of service and advice that had been provided. This situation has been found in the marketing literature whereby customers actively reduced their expectations to increase the likelihood of achieving future satisfaction (Kopalle and Lehman, 2001) and this provides another perspective on which to assess the later HRIA satisfaction responses against expectations having been met or not. Thus, although increased support and contact were prime expectations of some managers, there were also misgivings about the ability of the HR function to deliver.

Table 6.3.2.1: Managers’ Expectations of HR

<b>HR CUSTOMERS</b> <i>I've got far more people, individuals with own needs and problems. Basically I look to HR to support us, give guidance on HR issues that I haven't come across before. New responsibility aspects I haven't had to deal with before. Looking for more from HR than in previous roles. (HRC3: S17)</i>
<i>I think there are aspects, the people element, stress and sickness. I expect quite a lot of support form my HR colleagues and I get it. I'm becoming a stress expert and I'm getting the support. (HRC17; S16)</i>



<p><i>Are very, very 2 way. I should be able to seek advice from them and I would expect a bit more consultation and advice from troops rather than assumptions. Recent reorganisation, no. (HRC21; S20)</i></p>
<p><i>I suppose because of my past dealings with HR, not particularly high expectations. Before, had a poor performer and HR told me the easy way out of a situation, not to manage their performance or how to get the person out effectively. You're a bit on your own - need increased contact. (HRC19; S22)</i></p>
<p><i>Very little apart from being available as a support function but very disappointing. Person speaking when you telephone appears to have very little knowledge. It's frustrating - couldn't get to person I really needed. If you want a little bit of info and desperate to resolve, call centres not very good at all. Expertise is needed. (HRC6; S20)</i></p>

Source: Interview Data

Some members of HR reflected a somewhat circumspect view of managers' expectations of HR while others were more positive about expectations of HR's role and contribution (Table 6.3.2.2). There also appeared to be an element of uncertainty from some HR managers, leading to a general feeling that assumptions are being made on the basis of lack of knowledge as well as a degree of negativity about HR's own performance in the past. This research, being one of the few that explores HR's understanding of their customers' requirements and the attitudes shown towards their customers, appears to support findings that there is a lack of customer understanding and contact by service providers leading to discrepant expectations (Hubbert et al., 1995; Luk and Layton, 2002).

Table 6.3.2.2: The HR View of Managers' Expectations

<p><b>HR SUPPLIERS</b></p> <p><i>I don't think the BT Manager really considers HR except in instances such as performance appraisal, recruitment etc. or when an event drives interaction with HR. Their expectation is that HR should do what they are asked quickly and efficiently. However, the perception is that HR usually do not do this. (HRS4; S16)</i></p>
<p><i>Whatever the weaknesses of the system, it is better than what went before. Managers should beware of expecting too much. (HRS4; S50)</i></p>



<p><i>The managers' expectation is quite simply that the HR function will keep up to pace on changes in lines of business and enable them to stay in front line of the business they're in. Expectation of failure in this regard based more on historical expectation. We're able to change this in specific initiatives and circumstances but we have lot of work to do to make changes. Expectations that HR will make change happen. (HRS10; S21)</i></p>
<p><i>I think that they expect or desire a little bit more handholding. In general, managers probably don't have expectations of me or Group HR – we're too far removed but generally want more assistance when they need it, or that they'll be stopped from doing something. 50:50 about line HR excellent and enabling versus waste of time. (HRS11; S21)</i></p>

Source: Interview Data

Table 6.3.2.3 illustrates comments made by HR suppliers about the scope of managers' expectations. The consideration on the part of those in HR was that they were expected to carry out activities which were the responsibility of the managers, yet there appeared to be little recognition that if managers were not performing in a way that met HR's expectations then perhaps HR needed to take action to address the situation. Thus, for some in HR, their perception of the effectiveness of the focal unit was reduced because their self-interested expectations hadn't been met (Tsui, 1984; Miles at al., 1996). Several HR suppliers also identified a more "controlling" viewpoint of the managers as illustrated in the last HR supplier quotation (HRS18; S29). This misalignment between expectations once again highlights the lack of any proactive expectation management or effective communication, not just by HR, but also by both parties. There appears to be little evidence of any collective role development by HR in its relationship with managers (Broderick, 1999) or any behavioural change to ensure consistent delivery of service quality (Reynoso and Moores, 1996). This situation reflects poorly on the overall HR leadership within the company, rather than on the individual HR manager.

Table 6.3.2.3: The HR View on Managers' Expectations of HR's Role

<p><b>HR SUPPLIERS</b></p> <p><i>To take it away from them so they don't have to deal with the HR issues. That HR will deal with the people issues and they'll be left with the operational activities. (HRS16; S21)</i></p>
<p><i>I think senior managers' expectations are for us to ensure any change or anything they're doing with their people all the 't's are crossed and the 'i's dotted. We're their junior managers to do any people related work that they don't like doing e.g. interviewing poor performers, sick absence. It isn't our job but they think it is. (HRS20; S21)</i></p>



<p><i>Their expectations are far greater than they should be. From my experience generally, managers expect HR to do a lot more than they should, Where managers should take more responsibility e.g. long term sick, discipline etc they should manage one-to-one. We're not the decision makers, they are. We can't take the pain way 100%. (HRS28; S21)</i></p>
<p><i>Don't think managers have an expectation, they accept what they're told. (HRS18; S29)</i></p>

Source: Interview Data

6.3.3 Managers’ Expectations of HR’s Ability to Support their Needs

When managers were questioned further on their expectations of HR’s ability to support their needs, several factors reappeared. Thus, a wide range of responses were collated which echoed previous comments about who in HR one was dealing with and the satisfaction achieved from managers’ prior contact and experiences with HR. While some managers were comfortable with HR’s ability to support their needs, others were not. In addition, the headcount reduction in HR was also perceived to make a difference in the support HR could give to managers (Table 6.3.3.1).

Table 6.3.3.1: HR’s Ability to Support Managers’ Needs

<p><b>HR CUSTOMERS</b></p> <p><i>I've never really thought about it. Experience is that they will be there if I have any difficulties or need help. Like any support service - only important when you really need them. (HRC19; S29)</i></p>
<p><i>Every confidence. Past experience of when I've needed them, they've solved my problem. No reason to believe that'd change. (HRC9; S21)</i></p>
<p><i>On the whole pretty good but again factor of who you get comes into play. There's a lack of consistency, probably policies are all there but applications aren't all consistently visible. (HRC26; S21)</i></p>
<p><i>Good question, based on previous experience with similar instances, suggest rather than drive down a particular use, timely support hasn't been realised recently. Very much lack of availability of people to speak to - seem to be cut to the bone. (HRC21; S21)</i></p>
<p><i>Exactly that - my expectation is that I want a specialist when I need them - not to be passed from pillar to post without any help and getting nowhere. (HRC6; S21)</i></p>



<i>Very low, unfortunately - I think HR are very driven by processes and procedure maintenance. What they're doing is building BT wide generic HR processes - difficult and they don't include any feedback. I've never been involved in any development of any processes and the implementation is almost fixed – 'you will do this', 'this is it' and no flexibility in how it's applied. I recognise what I'd like to see - this is the core and around that then have flexible models, which we can select. (HRC29; S21)</i>
<i>Quite low, shame isn't it? I think their ability is at GM/Director level - not at line level. At GM (General Management) conferences they have HR but not at team meetings and never see them at any other time. (HRC12; S21)</i>
<i>I think I probably have got high expectations but they fall short. I feel I'm not getting a lot. (HRC27; S21)</i>

Source: Interview Data

Thus, expectation alignment appears to favour the more positive comments about HR’s effectiveness while those that are perceived to be misaligned with the participants’ expectations appear to have a negative influence (Gilbert, 2000). The expectations of future interactions with HR also seem to be coloured by the attitude each respondent currently holds based on their past experiences with the HR function. Implied within this situation is the outcome and frequency of interactions with HR, thus there appears to be some connection to the transaction-specific and overall-satisfaction research of Bitner and Hubbert (1994) and Jones and Suh (2000). Consequently, frequency of mainly negative or positive expectation interactions appears to influence the attitude towards HR in a negative or positive way accordingly.

Customers continuously monitor service quality over the duration of the relationship, and for the internal situation (where the average tenure in BT is over 17 years for example) this implies a continued requirement on the part of both HR and managers to constantly maintain both the motivational dynamics of the expectation relationship (Katz and Kahn, 1978) and its resulting role development (Broderick, 1999). With regard to this section, it appears that there is little evidence of this having been carried out on a company-wide basis or the top-level understanding and recognition of this requirement

6.3.4 Use of HR in the Role of Managers

Managers were asked for the three most critical aspects of their role for which they would need to use HR (Table 6.3.4.1). The replies included the traditional range of HR activities and reflected the current priorities that the managers faced. Most respondents appeared to focus solely on the short-term. There was no mention of manpower planning or any strategic or longer-term perspective. Given the level of seniority (direct reporting into a Divisional Board Director, several managed over 350 staff and headed



up large divisions) this was surprising. Another aspect worth noting was the fact that a number of managers couldn't think of three reasons why they might need HR and highlights the need for HR to more proactively market itself.

The most critical aspects identified in numerical terms included policies and procedures, attendance, training, line manager guidance as well as recruitment, although several managers identified that because of downsizing they didn't (and hadn't had for a while) any recruitment needs. Other areas where HR was deemed to be important for their role included Union negotiation, discipline, rule clarification, pay, communication and retention. These issues and activities are administrative or encompass the provision of functional HR services reflecting the findings of Buyens and DeVos (2001). These researchers revised Ulrich's original model (1997) that had placed "strategic partner" as the first of HR's four roles to place it last when HR's customers, as opposed to those in HR, were surveyed. This implies that much of the HR literature, particularly the strategic HR literature, is not paying close enough attention to those at the receiving end of HR (Clark et al., 1998) or acknowledging that it isn't HR who should define its value, but HR's customers (Ulrich, in Huselid and Becker, 1999). Customer contact, communication and market research focused towards this end will enable HR to provide both the specific activities and the perceived service quality required within each organisation (Bowen and Greiner, 1986; Collins and Payne, 1991; Ulrich et al., 1997).

Table 6.3.4.1: Use of HR in Role of Managers

<b>HR CUSTOMERS</b> <i>In my current role most important part they play is in relation to terms and conditions. To be honest it's probably only thing they have an involvement with. (HRC22; S21)</i>
<i>I suppose line management guidance. I don't know, probably around area of HR policies such as Health and Safety, that sort of thing. (HRC24; S22)</i>
<i>I guess Health &amp; Safety aspect - I'd look at their website to look at procedures - only thing that comes to mind. (HRC27; S22)</i>
<i>It's not an issue for me but people management generally. Openworld needs a lot of guidance to get good people management skills embedded. (HRC20; S22)</i>

Source: Interview Data

6.3.5 Section Summary

Managers within BT have generally found that their roles had expanded in the last few years, caused by increased expectations from their own customers, HR (the nature of devolution) and BT itself. This situation had resulted in managers requiring more support from the HR function. However, there also appeared to be a lack of confidence



of some managers in HR’s capability to achieve this objective based on their past experiences of HR’s quality of performance. Other managers however, felt satisfied with the service they received from HR. However, overall, there was an acknowledgement that it was not consistently delivered, but rather dependent on the quality of the individual HR representative. The uncertainty, in this instance, has resulted in some managers reducing their expectations of HR or not communicating their requirements. In addition, the HR capability issue has also been recognised by some HR respondents, as has the incongruence between managers’ expectations and what HR think they ought to be! While HR identified some managers as having inappropriate or too high expectations, other managers had difficulty discerning three reasons why they might need HR.

These factors combine to highlight some issues concerning the actions and approach of the leadership within the HR function in BT. The lack of pro-activity and concern about the possible implications of managers’ perceived deficient HR experiences or non-achievement of their expectations of HR raise questions about the quality and capability of the senior HR management in BT. The theoretical connections and support have been identified, as have areas where this study is filling noted gaps in theory. In addition, the establishment of distinct themes and categories are appearing and starting to be reinforced, such as the impact of the managers’ role, the context in which they are working, communication issues, HR’s limited understanding of customers’ needs and perceptions, and the implications of these issues as they relate to the performance of the HR leadership.

**6.4 THE ROLE OF HR IN BT**

**6.4.1 Differing Perceptions of HR’s Role**

The managers’ perspective of the role of HR within BT differed somewhat to that of those in HR (Table 6.4.1.1). Managers were, for instance, more focused on the need for a pro-active customer approach by HR to support their own current role. In addition, managers’ experience of their direct contact with HR personnel, as well as their observations of how others have interacted and related to HR, appear to have informed the basis of their opinions (Webb, 2000).

**Table 6.4.1.1: Managers’ Perceptions of HR’s Role**

<b>HR CUSTOMERS</b>
<i>Had very good Account Managers - given excellent support - but whether HR see that as their role, I don't know. When HR realise they are there to help the line rather than manage the line, then more productive relationship. (HRC22; S19)</i>



<p><i>Personal opinion - I've got very mixed views about it. I have moved from one division where they were very much a support function. In Ignite they're on a much higher pedestal - much more involvement and focus on proactive HR in helping people with personal development. Not consistent from company's point of view. (HRC21; S19)</i></p>
<p><i>My view of HR - 3-4 phase model - I have the Personnel Manager, an HR Manager, an HR Account Manager and an HR Consultant. The Personnel Manager is someone who sits in the office and produces standard reports - process driven. The HR Manager goes out and produces standard reports. The HR Account Manager goes out and listens to what client wants and can produce a range of reports. HR Consultant works in partnership. BT HR struggling to make transition to HR Account Manager. Recent example: recently 3 members of team were promoted - they had been doing these roles already for a number of months and effectively, but HR said they must interview them to make sure they can do the job and can't promote them until the HR interview. Recommend different approach. (HRC29; S18) (previously in HR)</i></p>

Source: Interview Data

HR suppliers on the other hand, differed quite considerably amongst themselves as to what the HR role should be in BT and what value they could add for the managers (Table 6.4.1.2). While some felt it was the administrative level activities where they could make a particular contribution, for many others it was focused at the strategic level. This reflects the extensive analysis of HR’s role in the academic literature (for example, see Table 3.1). Thus, prior research has produced many versions of what HR’s role should be but little definitive agreement. Most tellingly, much of this research is based on what those in HR would like it to be (Conner and Ulrich, 1996) and highly valued aspects to those in HR such as “strategic partner” (Ulrich, 1997) or “corporate HR leader” (Yeung et al., 1996) have been considered, as mentioned, of minimal importance when HR’s customers have been consulted (Buyens and DeVos, 2001).

Table 6.4.1.2: HR Managers’ Perception of HR’s Role

<p><b>HR SUPPLIERS</b></p> <p><i>The real value that HR can potentially offer is to take away administrative, or the 'nuisance' factor of management, allowing them to concentrate on their own core skills. (HRS4; S17)</i></p>
<p><i>HR tends to facilitate rather than lead on people issues. We tend to react to needs rather than to plan for them. More work in understanding skill-sets and the wider market would be good. (HRS12; S23)</i></p>



<p><i>Work in partnership at a strategic level. Develop strategies - people part is integral- it's integrated with business strategy. Great deal of moving transactions, development of transformation, working to help people develop, change management, change business - can put any process in place but without people behind it - it won't work. (HRS19; S19)</i></p>
<p><i>A greater emphasis on strategic role. Increased degree of autonomy as a result of overall business changes going on in BT and equally more prescription in relation to employee law. (HRS20; S17)</i></p>

Source: Interview Data

With regard to the three most important aspects that HR could assist managers with and add value to their role, as with the managers, there were also a number of HR participants who could not identify three separate activities, which again raises some concerns about HR capabilities. The HR responses were far broader in the range of identified activities, and many were couched in more strategic and important sounding terms than those listed by the managers. Thus, HR was concerned with leadership, change management, culture change and the development of different strategies such as resourcing, mirroring that of much of the literature from the view of those in HR (Conner and Ulrich, 1996). Several of the responses from the phrasing and tone seemed to have been learnt by rote rather than demonstrating the genuine business and customer awareness required of an effective internal service providing function. Other HR responses also appeared to display little concern beyond consideration for their own needs, strategic aspirations and organisational status (Biddle, 1979; Katz and Kahn, 1978).

6.4.2 Customer Focus of the HR Function

Managers were asked if they felt HR was customer focused in its approach. Once again, there were marked differences between responses with varying appreciation of HR’s customer handling skills, their understanding of the business and approach to relationship development at the management level (Table 6.4.2.1).

Table 6.4.2.1: Managers’ Perception of HR Customer Focus

<p><b>HR CUSTOMERS</b></p> <p><i>Really also they're a very accessible part of our team now, always there and can get in touch now, not divorced from us. Part of my team building. (HRC8; S20)</i></p>
<p><i>Yes, they do react when I need them but they don't proactively contact me about their services. (HRC4; S24)</i></p>



<i>Black and white answer no. I don't necessarily think that HR understand context of our business and the commercial context, or understanding customer/supplier relationship or account management. HR have a tendency to think they run the business and they need to let go and allow operations line managers to run their business. (HRC22; S23)</i>
<i>HR Rep we have is there to support my boss's boss. They may be customer friendly but my interaction is not that great. (HRC6; S24)</i>
<i>If you say we are their customers, no. People don't realise we're their customers - they have no idea and they have no idea what their customers want. (HRC18; S23)</i>
<i>Lots of examples of non-support, increases my stress but I'm not a normally a stressed individual. Same with graduates - previous person took too many on - some not suitable and should have left after 1 year but no one managed the process. HR Manager and I made complaint to &lt;name&gt; (HR Director) but haven't heard although I was promised a response. (HRC16; S21)</i>

Source: Interview Data

There appeared however, to be a general recognition that HR's customer focus was not all that it could be. Although on an individual basis the required relationship was on occasion perceived as appropriately focussed, this did not appear to be consistently provided throughout the function nor did there appear to be an internal market (Lings, 2000) or customer orientation (Yeung et al., 1994; Clark et al., 1998) from the department's behaviour in BT. This supports what has previously been found in the HR literature and replicates noted aspects such as HR's greater consideration for those at senior levels in the business (Tsui, 1984; 1987), concerns about understanding of the wider business context and the implications and issues about poor senior level communication (Skinner and Mabey, 1997).

6.4.3 Section Summary

The differing perceptions of where HR added value and what its role should be within BT illustrated a misalignment, not only between HR customers and suppliers but also between those in HR. Thus, reflecting the literature, a group of HR suppliers identified the strategic role as being the most important, while HR customers and another group of those in HR recognised the administrative and management elements adding the most value. For managers, this appeared to translate into HR concentrating on those at the strategic level and, for their own needs, HR was not perceived to be customer focused, except on an individual basis. There were also concerns about the quality of communication, HR's understanding of their role in relation to the wider needs of the



business and the implications this raises for assessing the performance of the HR leadership.

6.5 HR/MANAGER RELATIONSHIP

The relationship between HR customers and suppliers was one that appeared to be inconsistent across the company with different degrees and quality of interaction and understanding between the two groups (Table 6.5.1). The introduction of e-peopleserve into the relationship also seemed to have caused additional complications to the original bipartite structure although most of the e-pl managers currently servicing the contract were originally transferred from BT. These issues were identified by both BT HR customers and suppliers and encompass aspects of the relationship which BT managers do not appear comfortable with.

Table 6.5.1: The HR Customer-Supplier Relationship

<b>HR CUSTOMERS</b> <i>Partnership with e-pl is slowly getting better but they're a bit detached at the moment as they don't fully understand company e.g. a contract on Genie notepaper, which they sent was not appropriate. (HRC12; S21)</i>
<i>HR is weak probably in Training and Development – it's not co-ordinated with e-peopleserve. Doesn't work as it could do. Not HR's fault, but e-peopleserve uses outside suppliers. Can't do the whole process. (HRC8; S31)</i>
<b>HR SUPPLIERS</b> <i>E-peopleserve are lacking in product knowledge. Total Remuneration Statements - they did some work (and other external providers) and external consultancy aspect research. How do you value benefits? But we won't get that with e-peopleserve. We're keen to e-enable pay review to deliver bespoke service. We want it to fit in with Peoplesoft and share plans/total comp/incentives – they're not pushing on selling next generation of services. We had to push very hard for them to come to us. BT happy to be in that development cycle - they could then take it to market. (HRS9; S75)</i>
<i>E-peopleserve are not a good link between Peopleline and Intranet. They're good at changing address, sick leave - but for more complex questions they don't know. People feel a bit lost on where to go - I've had calls from other parts of the business about this. (HRS12; S61)</i>

Source: Interview Data

Respondents' comments towards e-peopleserve raise several issues identified in the literature about the use of outsourcing to provide general, and specifically HR, Internet services. On one hand, although the majority of e-pl staff had only recently transferred



from BT, they are criticised for lacking BT specific knowledge (Ulrich, 1996) or connecting with them appropriately. In addition, the exercise is perceived as a cost cutting one since those who transferred to e-pl have not suddenly gained specialist expertise (Csoko, 1995) to benefit BT that they did not possess a few months earlier when they worked in the company. On the other hand, the comments highlight the need for continual top-level direction and proactive expectations management of the e-pl/BT relationship to obtain the maximum advantage and quickly identify and solve problems as they arise.

6.5.1 General Communication

Comments about communication between HR customers and suppliers impacted a high number of responses both prompted and unprompted. At Group and in each line of business, there is a communications team that also looks after internal communications. This ranges from one individual to several depending on the size of the division. Thus, within one division, the internal communications team also report to the HR Director, and an aspirational communications strategy has been developed (Table 6.5.1.1).

Table 6.5.1.1: Divisional Communications Strategy (2001)

<b>HR SUPPLIERS</b> <i>We aspire to create an open and commercially astute environment where there are no barriers to communication. Anyone can talk to anyone else if it helps to move the business forward, irrespective of hierarchy or function. Communication will be used to empower teams and individuals so they share knowledge and undertake their roles more effectively. (Communications Strategy, 2001; S8)</i>
<i>Communication will be pro-active, consistent, open, honest, two way and respectful. Raising business issues to remove barriers and generate ideas and innovation is encouraged. We will not use glib or unrealistic messages to hide difficult news but will face up to those challenges in the style and content of our communications. (Communications Strategy, 2001; S9)</i>
<i>We will measure the effectiveness of our communications for continuous improvement and use data such as the CARE survey as an input to improve the communications climate in &lt;name of division&gt;. (Communications Strategy, 2001; S10)</i>

Source: Compiled by author

The HR Director of the above division however, was also the one involved in the quotation concerning a complaint made jointly by an HR Manager and an operations' manager, to which the result had been – *'but haven't heard although I was promised a response'* (HRS16; S21).



This theme of communication between HR customers and suppliers was one that was continually raised in participants’ responses, and while it was identified as formally important to improving BT, the reality was somewhat inconsistent. This was one aspect where there was general agreement by both HR customers and suppliers (Table 6.5.1.2).

**Table 6.5.1.2: Perceptions on Communication Between HR Customers and Suppliers**

<b>HR CUSTOMERS</b> <i>I think they could inform me of what's going on and why. More actively involved rather than just putting it on the Intranet and thinking they've done their job. They're probably under-resourced. (HRC19; S77)</i>
<i>They need to get more involved in the detail, the 10% that doesn't conform to the standard policy and work on the exceptions rather than insisting on specialising on the 90% that conforms to the policy, we can find out about that easily, but not that 10%. (HRC20; S21)</i>
<b>HR SUPPLIERS</b> <i>I think there's a lack of trust between HR department and people in general because of poor communication. (HRS1; S22)</i>
<i>Training and communication is poor. We just expect people to know it's there and how to use it. (HRS12; S67)</i>

Source: Interview Data

Communication thus appears very important to all the participants. This is ironical since HR is exalted in the literature to be organisationally responsible for this activity (Sims, 1994; Bruce, 1997) and HR has been advised to continually concentrate on the quality of its communication system (Rodwell et al., 1998), but within the BT context, this does not appear to be done beyond the production of new issues of divisional communications’ strategies. Both HR customers and suppliers, perceive communication to be a major part of the identified problems. In addition, it is also perceived as integral to the possible solutions, regarding “best practice” for the introduction, use and development of the HRIA within the HR service portfolio.

**6.5.2 Discussion of Managers’ Needs or Expectations**

Both HR customers and suppliers were asked whether they approached the other to discuss managers’ needs concerning the HR intranet and how HR could support them. While once again there were different levels of pro-activity between individuals within the same group, there was also a striking difference of opinion between the two groups (Table 6.5.2.1 and Table 6.5.2.2). Some 70% of HR customers indicated that they had not discussed their needs with HR, whereas 86% of HR suppliers had discussed managers’ needs with them. Although the two groups are not paired and so it is not possible within this research to link the responses, the figures highlight the gap that



exists between the perceptions of the two groups and the inconsistency of HR activities throughout the company (Figure 6.5.2.1). Once again, in several instances, assumptions appeared to have been made in the absence of the receipt of any hard information or direct contact. The internal supplier/customer perception discrepancies that have been found in the services (Hubbert et al., Luk and Layton, 2002) and HR (Wright at al., 2001) literatures, imply the need for greater contact to be initiated by both sides so as to improve the relationship and enable respective expectations to be discussed, managed and hopefully met or exceeded (Broderick, 1999).

Table 6.5.2.1: Discussion of Managers’ HRIA Support Needs – Managers’ Perspective

<b>HR CUSTOMERS</b> <i>All the dealings I’ve had have been excellent. More so recently, my job’s evolved and I’m looking for more from HR. Very supportive, straight and tell directly. (HRC3; S18)</i>
<i>It’s strange isn’t it, lots of recent dealings with HR. We work very closely with immediate HR colleague...before I would never have thought about them, now more available and HR Managers more focused on help they can give. (HRC17; S17)</i>
<i>No. Not really, from point of view of what I need, currently does meet my needs as my needs are so low. (HRC6; S23)</i>
<i>No. I assume that I can only get prescribed service. (HRC1; S21)</i>
<i>No, because I don’t know who my HR Rep is. Discuss with my boss. First Call etc did all myself and lots of info needed to know - how it’s paid for and who to go to. Hit or miss. Have to push them to make decisions - it’s their role really - this has been going on for ages. (HRC19; S24)</i>
<i>If I felt confident in their ability and flexibility. I have approached them and &lt;individual’s name&gt; is very aggressive, almost because I’m asking questions that they don’t know the answers to. So they go back to the process. I’ve been in HR roles and can see both sides of story, but lots of HR people tend to be HR through and through. (HRC29; S23)</i>

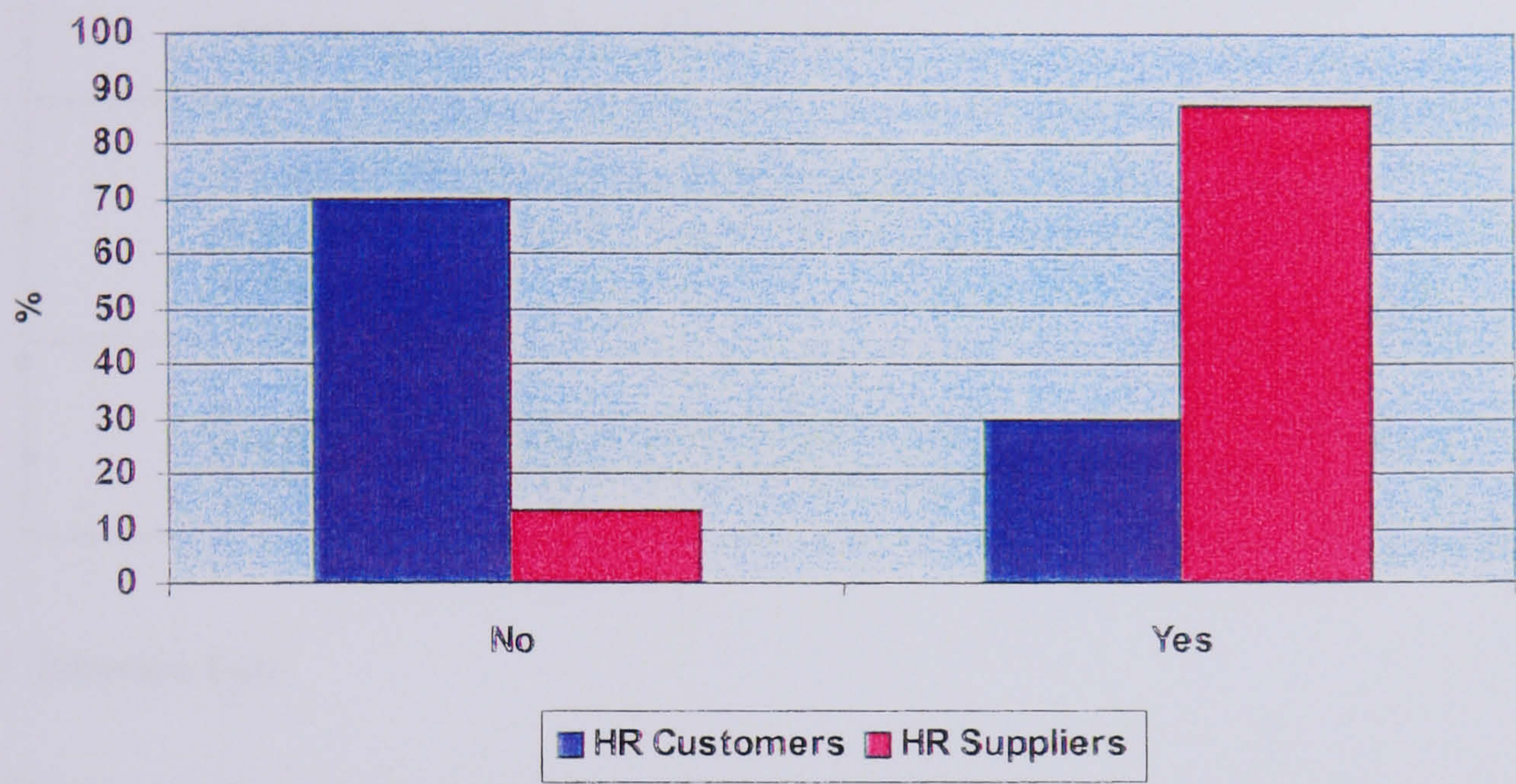
Source: Interview Data

HR customer responses encompassed a wide range of perspectives from opinion based on assumptions, low needs for HR services, interpretations about HR Rep.’s behaviour, lack of contact with HR or knowledge of identity of HR representative to high satisfaction with HR’s support and availability. Overall, these responses are



symptomatic of the effect of the quality and nature of communication between HR and managers, as well as presenting a lack of consistency of customers' perceptions of contact with HR. The resulting lack of clarity about the HR function's role and capability from the individual perspective (Truss et al., 2002) is likely, as with the identified consequential effect of individual employee satisfaction (Schneider and Bowen, 1993; 1995; Loveman and Heskett, 1999), to have a wider organisational impact, but probably detrimental in this situation.

Figure 6.5.2.1: Discussion of Managers' HRIA Support Needs



Source: Compiled by author

In some ways, the answers given by those in HR appear to provide a reason for the different perceived situations existing (Table 6.5.2.2). A number of replies explaining why discussions with managers hadn't taken place, seemed to indicate a belief that only HR Account Managers ought to have contact with customers and that a Group role, or a specific one such as Compensation and Benefits or Strategy did not require any interaction with them. Rather worryingly, two HR participants had been advised not to formally consult with managers (see HRS11; S20 as example), and just as surprising, had not found this unusual. Others appeared to meet between themselves to discuss managers' needs but did not include them in the process. This appears to illustrate that the HR culture, whatever has been documented internally about "our most important asset" (as the tired cliché goes), has not yet been translated into harmonised practices that form part of a consistent market orientation (Collins and Payne, 1994). An opportunity for training and development for all levels of those in HR appears overdue.

This situation also brings into question the likely quality of HR support to be given regarding the HRIA particularly, if it is not perceived by those at the top to be anything other than a low-level administrative device (Aydin and Rice, 1989).



**Table 6.5.2.2: Discussion of Managers’ Support Needs – HR Perspective**

<b>HR SUPPLIERS</b>
<i>Yes, we have. I think interest in understanding and being aware of employee costs is a very big one at the moment. Impacts and role information, job redesign etc., framework to redesign and balance some of the jobs and getting managers aware of the cost basis – quite a shock for some of them. (HRS9; S20)</i>
<i>Yes, on a kind of ad hoc basis, not a formal consultation basis. I don't agree with that. I've been told not to talk to them as they'd all want something different. (HRS11; S20)</i>
<i>Yes, we do. We have a team meeting every week and everyone talks about what's going on – doesn't include the customers. (HRS26; S20)</i>
<i>We don't deal with specific lines of business. We don't have Accounts – we look after the business as a whole. (HRS6; S20)</i>

Source: Interview Data

**6.5.3 Nature and Frequency of HR/Manager Contact**

The nature and frequency of contact between HR customers and suppliers varied markedly with a key influencing factor seeming to be the HR individual concerned – almost a luck-of-the-draw situation on the part of the HR customer, but with little recognition from the managers themselves of their possible role in improving the situation and taking action if they were not wholly satisfied (Table 6.5.3.1). Little has been written in the HR literature from the managerial perspective about the HR customer/supplier relationship apart from the exhortation that it should be closer and more customer-oriented (Bowen and Greiner, 1986; Bowen, 1996; Tyson, 1997). As a consequence, there is an absence of empirical material on which to compare both expectations and perceptions of the adequacy of the nature and frequency of contact.

In this research, which fills a recognised gap in this area (Clark et al., 1998), the lack of communication and consistency appears to have resulted in a situation in that both too much and too little contact are cited with many shades in between. Thus, some managers were satisfied and others were not at the time of the interview. Given the frequency of role and location change in BT together with HR service quality being identified as inconsistent and individually based, it appears likely that over time, managers will experience many aspects of the spectrum. This unpredictability is potentially destabilising and may weaken perceptions of HR’s effectiveness not just at management level, but through both formal and informal communication networks, at the strategic and operative levels as well.



Table 6.5.3.1: HR Customer and Supplier Contact – Managers' Perspectives

<b>HR CUSTOMERS</b>
<i>Close liaison with HR Rep.- speak on a regular basis, perhaps too often. She comes to team meetings etc. (HRC17; S20)</i>
<i>I see &lt;name&gt; (HR rep) on a month-to-month basis. HR support comes to team meetings - don't just get in touch when there's a problem communication both ways and timely. (HRC3; S21)</i>
<i>I have met with my HR Rep 2 months ago and I accept element of me pushing them but I'm their customer and I shouldn't have to push, follow up and chase them. An unexploited resource - don't exploit them as we should. But HR rep presentations that were done for us, they were from a standard pack not delivered for our team, not personalised, or 'exciting' for us. There isn't a real feeling of a customer/supplier relationship. (HRC10; S22)</i>
<i>Our team has never been approached or had a meeting with the HR people. I know who they are - they're very friendly but they've never come to me as a customer. (HRC29; S19)</i>
<i>Not very recently. Initially had weekly meetings with HR but then it changed to a different person and they seemed not to be interested in my micro management of the &lt;name&gt; team. (HRC20; S23)</i>
<i>No, because of that lack of engagement in things we're trying to do. Their distance - not attending our meetings. When they do attend - a graduate at last meeting to tell us about process - very much, here's a process you've got to implement, rather than what do you want to do with it. (HRC28; S25)</i>

Source: Interview Data

The HR suppliers (Table 6.5.3.2), however, identified a level and frequency of contact that appeared much higher than that identified by the managers and a mixture of formal and informal mechanisms also appeared to be used. An observation to be noted from the responses by both customers and suppliers to the question ‘have you discussed...’ was that there appeared to be an unprompted, implicit assumption that this meant face-to-face contact. Only one supplier mentioned the telephone, and there was no inclusion of any technology-assisted means of achieving this activity e.g. e-mail, video conferencing, Web chat. This may be a BT context related finding or one which many HR or other internal customer/supplier relationships perceive, only further research will expose this. There is an inference however, that face-to-face contact is preferable and there is still some underlying resistance to technology as a contact medium for progressing a relationship.



Table 6.5.3.2: HR Customer and Supplier Contact – HR’s Perspective

<b>HR SUPPLIERS</b> <i>We have regular meetings. They also ring us. Other than that, team meetings, regular one-to-ones e.g. project on performance management- - met with each of the managers - tends to be face to face or at end of phone. Two way is all about building relationships. (HRS19; S20)</i>
<i>I discuss with my business partner all the time. It's at various levels. The Director of HR will agree certain targets with the Director of Customer Services, and these cascade down so that we can see the different targets we're to achieve with our business partners. (HRS22; S17)</i>
<i>Yes, we do an annual review with our principle customers as to what's on their agenda and what we support we can provide and what their expectations are. Also done on a monthly rolling basis. (HRS20; S20)</i>
<i>Conduct an annual survey with our Business Partners on how we are meeting their requirements. Consult our customers on requirements for specific pieces of work. (HRS2; S14)</i>
<i>On a kind of ad hoc basis, not a formal consultation basis, I don't agree with that. Told not to talk to them as they'd all want something different. One of the problems, disadvantage of an organisation our size, can't give everyone a say, just too big, just get a feel for what people want, sometimes right, sometimes wrong, just have to live with it. (HRS11; S20)</i>

Source: Interview Data

6.5.3 Section Summary

From the managers’ perspectives, contact with HR appeared to be a somewhat hit and miss affair, despite the existence of divisional and Group HR communications teams, communication strategies, formal procedures, Account Managers and a range of communication channels. While some of the managers recognised their own role in building the relationship with HR, others have taken no action regarding their perceived lack of interaction. Differences in perceptions appear to exist between the managers themselves and between managers and those in HR. Many HR managers felt they enacted regular consultative contact that focused on their customers’ requirements. However, although the HR structure and strategy may be in place to operate a market oriented service, the actions of HR incumbents did not seem to indicate that this was consistently achieved. In several instances, customer contact appeared to be discouraged



so as to keep disruption for HR to a minimum, while a yearly partnership review connection appeared to be deemed adequate. Both groups also generally assumed that “discussion” meant face-to-face and did not explore any technological means of contacting the other party to progress the relationship.

## 6.6 HR INTERNET APPLICATIONS (HRIA) IN BT

The HR intranet in BT has been available since 1997 and includes a number of different intranets. The Group HR intranet (version three) provides cross company information, policies and procedures. Each division (such as BT Retail, BT Ignite) has its own HR intranet to provide divisional HR information. There is no connectivity or sharing of any “best practice” between the separate HR functions. One of the issues about the whole policy of separating the divisions and functions within BT has been consistency and this was identified as continuing to cause concern.

*I can find things (on the HR Intranet) but usually after a long search. One of the problems is different documents for different units - can find it for Ignite but not for Wholesale, and then it's out of date. Changes of companies set up not HR's fault.*  
(HRC19; S30)

However, while the perception may be that it's not HR's fault, there appears to have been no action from HR to flex its services or to align itself more appropriately with the structure of the company. Of even more concern, is the apparent image, which is reinforced through these findings, that HR have to accept changes with little expectation, by them or of them, either influencing the nature of the changes, altering them or taking action for HR to adapt themselves to new developments. All these factors reflect on the perceptions of the quality of HR leadership in BT.

E-HR provides the self-service capabilities, which currently is limited to changing personal details. E-Gatekeeper, which is “owned” by the Finance department, is interactive and enables users to see their pay slip, submit expenses, choose a company car plan, book training courses. It was often assumed by participants to belong to HR. E-peopleserve provide administrative web-enabled activities and e-HR options within all the different HR intranets, with the intention to be seamless so there is no identification as to whether one is in an e-pl page or a BT one.

The existence of a number of different intranets in the same company that all BT employees can access, has resulted in an element of confusion as well as the identification of inefficiencies due to duplication, contradicting information and capability gaps between the sites. In addition, many managers are not sure about what e-peopleserve does in relation to the in-house HR role, or whether HR is responsible for e-Gatekeeper. Information about the intranet (and for that matter about HR responsibilities in general) is shown to be fragmented and difficult to obtain. This is illustrated not solely from the research participants' comments but from the experiences of this researcher to get what would be considered basic information (such as average age and tenure of managers in BT, or details about the use of the intranet). This was simply either not available or provided (from the corporate office) in the form of reams of Excel spreadsheets that required further manual calculations. This indicates a cause



for concern about the quality of the HR leadership in the way its systems are set up and its standards of information dissemination and control.

6.6.1 Expectations of the HR Intranet

Managers’ expectations of the HR Intranet reflected a range of personal individual preferences as well as attitudes based on experience of using Intranets in BT or elsewhere (Table 6.6.1.1). Human interaction was still regarded by some as preferable to using the intranet. A lack of knowledge about the structure and responsibilities of HR and the role of the HR Intranet within this, was also not fully understood by a number of managers (including some in HR itself). Analysis of the overall expectations given by both customers and suppliers appeared to be influenced by personal factors, BT's context, and individual experiences with the other group and their role, particularly if they were responsible for staff.

The complexity and multi-dimensionality of expectations (Solomon et al., 1985) mean for those on the receiving end that detailed knowledge of the role senders’ differing priorities, needs and perspectives are important. Segmentation has been posited as a mechanism to more easily achieve this within the internal market (Brooks et al., 1999), but this is not carried out within the BT HR function. There is also little evidence, from the HR suppliers’ perceptions of the managers’ expectations and BT documentation, of any collective thought given to, not simply identifying how to meet their customers’ HRIA expectations, but also how to communicate and minimise any impact of not being able to meet the many differing requirements. The need for ‘people-focused management practices’ (Monks and McMackin, 2001: 67) mean that communication has been cited as a critical part of a fully-aligned HR system (Oram, 1998) but it appears that within BT, this has not been effectively implemented.

Table 6.6.1.1: Customer Expectations of the HR Intranet

<b>HR CUSTOMERS</b> <i>Initially, when one's used to being spoon fed with stuff which we were used to, shock. Comfort factor to talk to an individual but, once used to it, I now use it for information and use consultant for expertise. Over periods of time, you get used to it. (HRC15; S25)</i>
<i>None. I'd rather talk to a person. They do try to get us to use the Intranet. (HRC14; S29)</i>
<i>I have quite high expectations. All their things are on the Intranet but difficult to find things. Search on a word - get hundreds of things. When you find it, it's useful. (HRC19; S29)</i>
<i>That there is greater clarity between Group HR Intranet and the intranet owned by lines of business. Don't understand corporate responsibility versus line responsibility and if you ask anybody they don't know. (HRC29; S33)</i>



<p><i>I expect to find policy things and general information. You'll find a document but you'll need someone to speak to, to answer other questions about the document. A lot of good information and would expect to go to the Web first. Comfortable with HR to provide services. (HRC4; S29)</i></p>
<p><i>I thought I might be able to find a training course but I can't, I still have to phone. Put in umpteen key words for courses I know exist but I have never been able to access them. (HRC12; S29)</i></p>

Source: Interview Data

In addition, BT itself identified its own expectations for e-peopleserve and intranet based HR services, which focused on cost and market opportunity.

*BT HR has implemented increasingly automated and web-enabled HR transactional processes over recent years in pursuit of efficiency and cost reduction. Further opportunities for cost reduction can best be realised through the generation of additional revenue streams in an area where BT now has a leading edge e-enabled asset. (HRS - BT Doc 5; S4.2)*

Unfortunately, there is little alternative evidence to identify that, within the concern for costs, there exists a clear vision for the possibilities that the use of Internet technology could afford the BT HR function, at the strategic level or as a relationship-building tool. This finding mirrors the situation repeatedly found in HR’s limited approach to and understanding of the potential of HRIAs (Kinnie and Arthurs, 1996; Tansley et al., 2001) and the criticisms of CRM in the marketing field (Krauss, 2002).

For HR Suppliers, it appeared that many of their expectations about managers using the HR intranet have not been realised (Table 6.6.1.2). It was also noted that simply putting something on the intranet did not signify effective communication. This highlighted a contextual situation in BT whereby HR’s lack of action for and communication with its customers (Buckley et al., 1998; Gibb, 2001) appeared almost to be accepted as a part of the company’s culture. However, there was also recognition that the intranet was becoming an all-encompassing tool with the expectation that *they will use the Internet, because it will be the only way to do essential tasks efficiently* (HRS4: S21) and this too highlights the increasing importance for middle and top management within the HR function to gain a greater understanding and appreciation of what the technology can actually do for them beyond cutting costs and making incremental efficiency gains (Snell et al., 1995).

Table 6.6.1.2: Suppliers’ Expectations of Managers' Use of the HR Intranet

<p><b>HR SUPPLIERS</b></p> <p><i>I think I was convinced that people would embrace it wholeheartedly but am frustrated, people still reluctant to press a button or use the technology. (HRS10; S27)</i></p>
--



*I don't know if managers have an expectation, does that make sense? Where they are very high volume basic interactions there's an expectation we should be able to do it via the Web. Currently I would argue in BT we've met 75% of that but almost like we have to create the expectation as part of the delivery. (HRS23; S28)*

*I'd like to think managers would access it on a regular basis to keep up to date. But also that it's the first point of call to look at Intranet for issues e.g. sickness, but culture is still first action is to pick up the phone and speak to the HR Manager. (HRS20; S29)*

Source: Interview Data

Thus, for both parties, key factors such as context, personal features, role requirements and past experience of using the HRIA all appear to influence their expectations. In addition, perceptions between HR customers and suppliers seem to differ mainly due to a lack of appropriate communication about each side's expectations. These findings support those identified in the role theory, ICT and marketing literatures and provide the beginnings of a firm theoretical underpinning to the development of HR theory in this research.

6.6.2 Achievement of HR Intranet Expectations

Figure 6.6.2.1 illustrates the range of opinions as to whether managers' expectations of the HR intranet had been achieved. Slightly more HR customers than suppliers felt they had been met or exceeded, but a greater percentage of HR suppliers indicated that managers felt expectations had been exceeded. However, a higher percentage of HR suppliers also felt that managers' expectations had not been achieved.

Figure 6.6.2.1: Achievement of HR Intranet Expectations



Source: Compiled by author



Table 6.6.2.1 illustrates a range of comments from both HR customers and suppliers. Although the quantitative responses seemed to provide a clear picture of the situation, the comments made by participants showed that there appeared to be issues associated with all responses and often, the specific met/not met answer given might not adequately reflect the situation when the underlying explanation was considered.

Table 6.6.2.1:   Comments Given to Explain Responses to Achievement of Managers' HRIA Expectations

<b>EXPECTATIONS MET</b> <i>Yes, they've been met. It gives me the information I need; it's easy to navigate. The information that's there meets my expectations and always contact available. (HRC17; S57)</i>
<i>I don't know what my expectations were, but using their website they deliver everything I need. Expectation to show HR issues and give guidance and it delivers. For specific items has changed fairly recently, period over change I couldn't find things but not with the A-Z, I use that - shows by type, if I don't know name then it will show me. It's easy to navigate around. (HRC3; S26)</i>
<i>I think they've been met, but I think we could have done more and should have done more, but a manager would be happy. (HRS1; S28)</i>
<b>MIXED RESPONSE</b> <i>Met probably because I don't have a huge amount of expectations. I thought I might be able to find a course but I can't, I still have to phone. Put in umpteen words for courses I know exist but I have never been able to access them. (HRC12; S28)</i>
<i>A mix, that's why it's important to have feedback. (HRS13; S27)</i>
<b>EXPECTATIONS NOT MET</b> <i>If they were going to replace a human with a button needed to be as good or better, but haven't achieved that. I look at the (Web) page, then because it doesn't answer my needs I have to phone someone up. General guidance is not specific-not customised enough or interactive to enable me to query specifics. Quite a poor sick record here. Poor performance and attendance warnings are all up to date. Gone through all the pages on sick but nothing on what the next stages are. Have arranged a HR person to come down and talk to the managers, which defeats the object. (HRC11; S24)</i>
<i>Not met. I think they ought to use it more to improve systems they have and make them more visible. (HRC7; S28)</i>

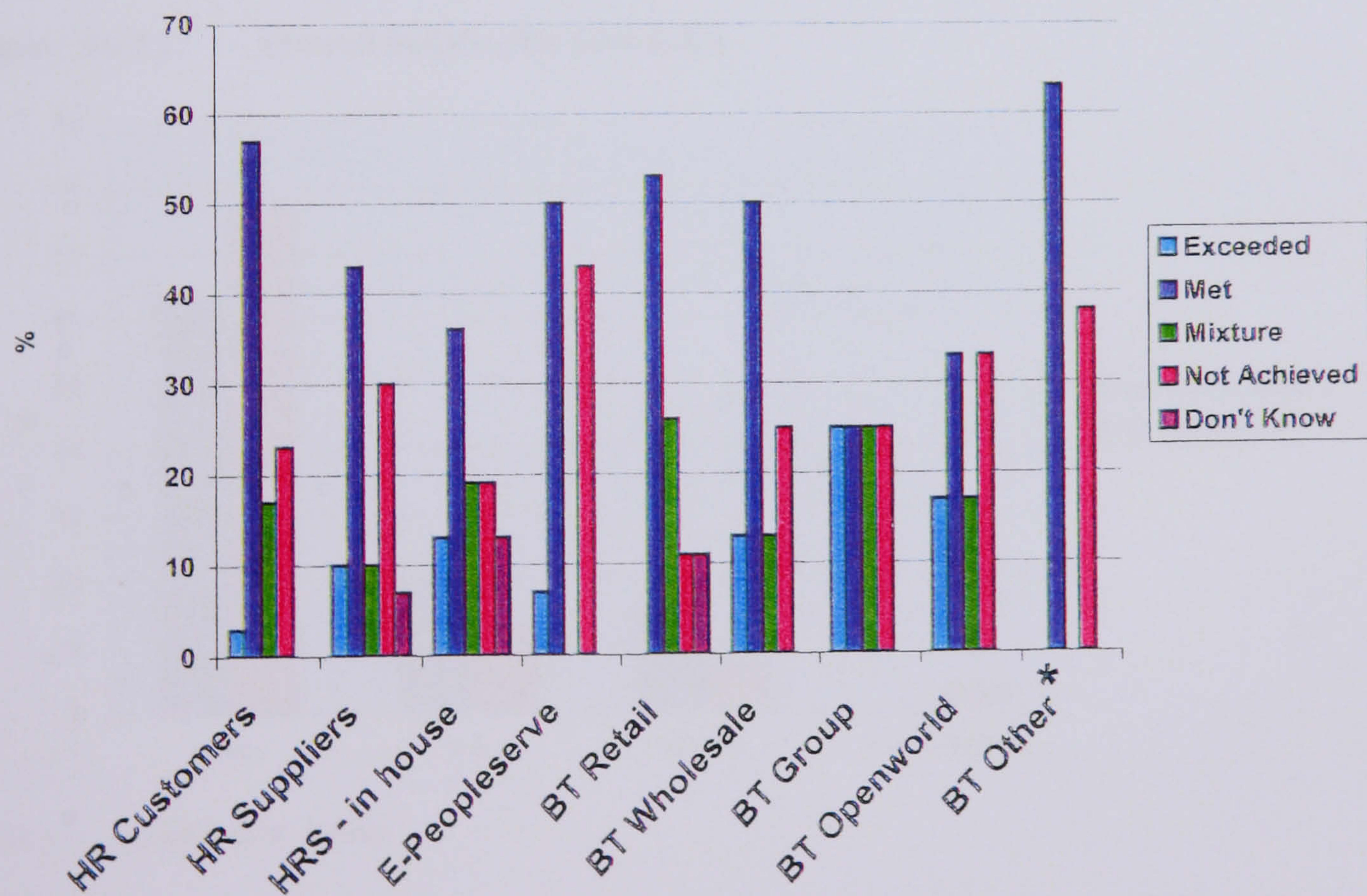


*I think they haven't been achieved overall. HR people are hiding behind the Intranet, but not standing on feet and talking to people.*  
(HRS1; S28)

Source: Interview Data

By sorting the data by the divisions within BT, the chart in Figure 6.6.2.2 highlighted the further differences that appear. Thus, those who felt expectations had been exceeded range from nil in BT Retail and BT Other to 25% in BT Group; met expectations was 32% in BT Openworld and 63% in BT Other; a mixture of achievement ranges from 12% in BT Wholesale to 26% in BT Retail; and expectations not met found BT Retail scoring 11% but at e-peopleserve, 43% felt managers' expectations had not been achieved. The figures appeared to confirm the different standards of HRIA provision and expectations across the BT divisions and also provide contrasting observations between different areas of the business (Hartley, 1997) that serve to highlight the theoretical constructs relevant to this research (Yin, 1994; Eisenhardt, 1991).

Figure 6.6.2.2:        Expectations of HRIA – BT Divisional Analysis



Note: BT Other\* - refers to BT Ignite, Affinitus, Concert and Cellnet

Source:     Compiled by author

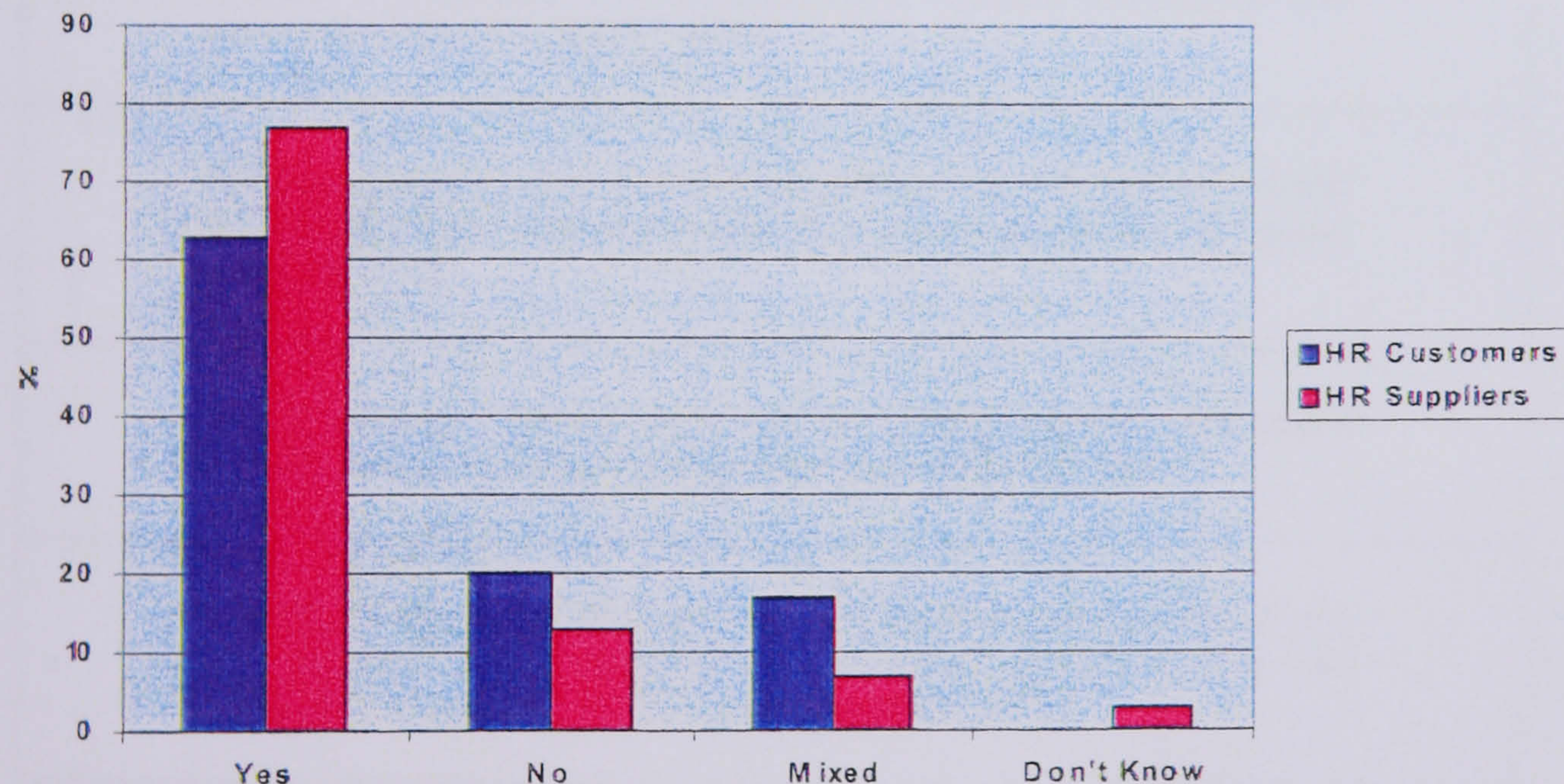


While limited research has identified differences in perceptions between internal customers and suppliers, this is the first time that managers' responses to the nature of their expectations of HR's use of an intranet have been investigated. The multidimensionality of expectations (Solomon et al., 1985) and their subjectivity (Westbrook and Reilly, 1983) particularly based on prior experience (Zeithaml et al., 1993) seemed to strongly influence perceptions of whether expectations had been met or not as well as the strength of that perception (Spreng and Page, 2001). Weak low expectations did not appear to emotionally impact perceptions to the same degree as strongly held expectations.

### 6.6.3 Overall Satisfaction with HRIA

The overall satisfaction rating shown in Figure 6.6.3.1 showed that in this instance, those in HR felt that managers had a higher satisfaction rating and a lower dissatisfaction rating than the managers themselves. Quantitative information, however, was only part of the whole picture and again, it was the qualitative data that could provide important supporting detail and explanation as to why both the HR customers and HR suppliers felt the way they did. Thus, while the satisfaction or dissatisfaction indicator had an appropriate percentage figure which might provide comfort or notice of action to be taken, the underlying reasons appear to afford different perceptions of the situation and identification of more specific corrective actions needed (Table 6.6.3.1).

Figure 6.6.3.1: Overall Satisfaction with HRIA



Source: Compiled by author

Some respondents from both groups appeared to make a number of assumptions about issues around the HR intranet (and these recur through the study). For instance, several managers appeared to perceive the intranet simply as a cost cutting replacement for HR people; some of those in HR assumed that if managers had a problem or were not happy with the HRIA then the managers would tell them (so if they hadn't, there was no problem). There was also a perception in HR that senior managers didn't know about or use the HR intranet but rather were given a different, more personal service than that



provided for those lower in the BT hierarchy who were expected to make more use of the technology, with an accompanying perception that it was the cheaper, inferior option.

The general comments highlight the uniqueness of each individual's response. Thus, reasons given for choices of categories varied substantially. In cases where the reasons given were similar, the chosen satisfaction rating was often different as was the individual's consideration of they deemed "satisfactory" to mean. Satisfaction, like expectations, is shown to be an emotional response where logic and objectivity play little part (Westbrook and Reilly, 1983). It is multi-faceted and dependent on context (Parker and Mathews, 2001) and this highlights the greater need for HR to consistently communicate with and understand their customers so that appropriate HRIA service offerings can be implemented (Collins and Payne, 1991).

**Table 6.6.3.1: Comments Given to Explain Responses to Managers' Overall Satisfaction with the HRIA**

<b>SATISFIED</b> <i>I think it's satisfactory but by no means does it inspire me. Hasn't got to the extent 'Wow! This is wonderful. I never need to talk to an HR person again!' Feels like it's an obligation to provide this Web enablement rather than desire to improve customers' HR experience. (HRC1; S28)</i>
<i>Overall, I'm satisfied but nothing more. Provided something that wasn't there before. (HRC1; S63)</i>
<i>Yes, I suppose so, when I can find anything. A bit like my view of the Intranet full stop, they understand how their mind works, not mine. (HRC19; S75)</i>
<i>Yes, absolutely. They'd soon tell us if they weren't. We don't actively go out but they'd tell us otherwise. (HRS24; S48)</i>
<i>Overall, I believe that they are satisfied, because the complaints are very specific being focused on individual incidents and the performance statistics are on target. (HRS10; S70)</i>
<b>NO OPINION EITHER WAY</b> <i>I guess neither one thing or the other, answer it's functional, can use it but I prefer to talk to a person. (HRC14; S74)</i>
<i>Again a yes and a no. In general terms OK but when you need detail, and to go a step further, totally dissatisfied. (HRC11; S49)</i>

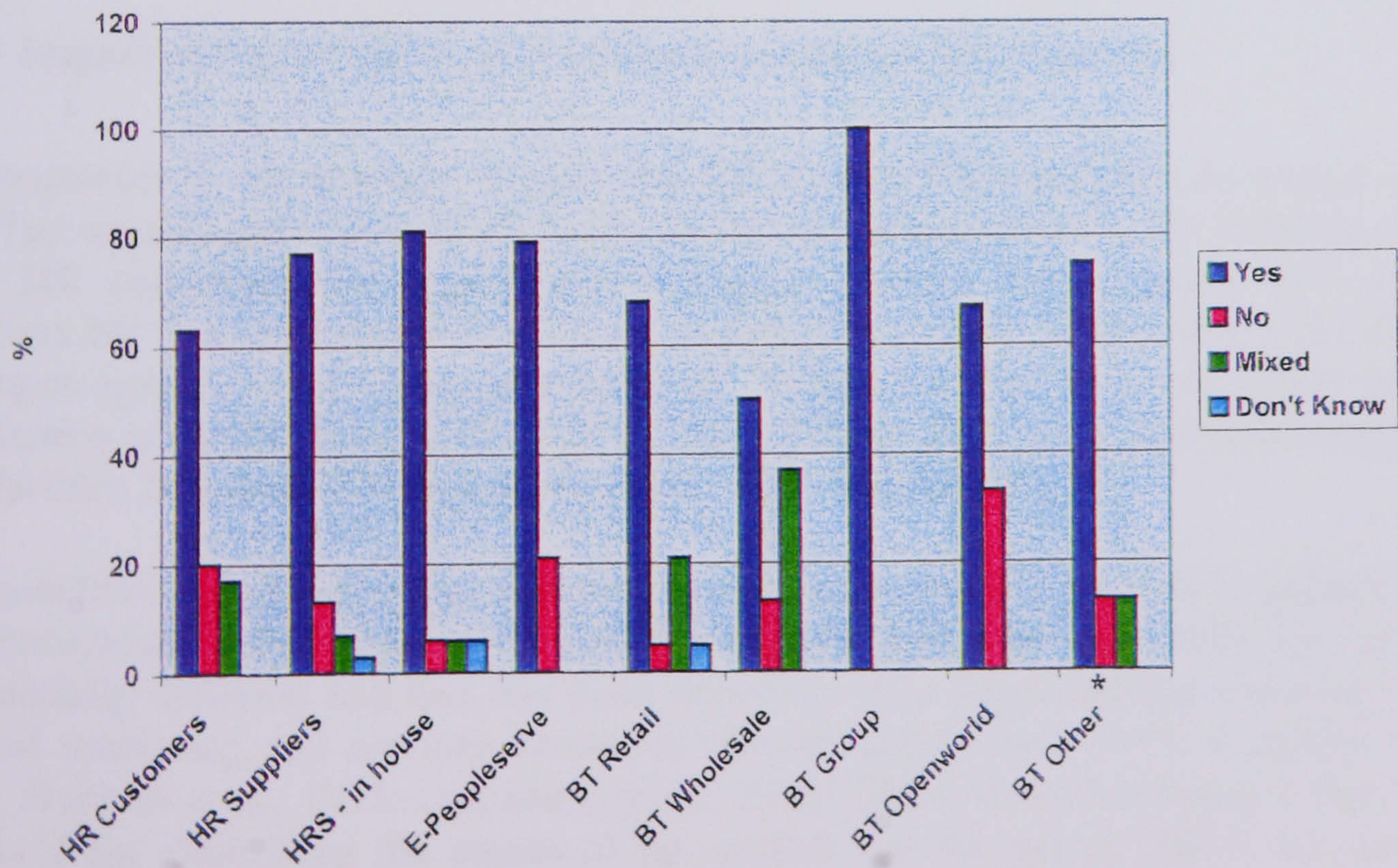


<p><i>I suspect at senior management level, they wouldn't really know where it is. Higher up the line you go - rely on phone call for their own personal bespoke service 24/7. (HRS20; S68)</i></p>
<p><b>DISSATISFIED</b></p> <p><i>No. Just don't think they're doing enough to sell it as a product and easy to use. (HRC7; S74)</i></p>
<p><i>I would say mildly dissatisfied. I don't use it because I don't find it particularly satisfactory. I've usually had to make a follow up call anyway. (HRC10; S69)</i></p>
<p><i>No, because they don't understand it. Don't know the benefits of it. See it as just another xyz of money spent. (HRS27; S71)</i></p>

Source: Interview Data

Figure 6.6.3.2, illustrates the same responses but presents them by division. Here the satisfaction rating varied from 45% to 100% and the mixed scale from 0 to 38%, while scores for dissatisfaction with the HR Intranet ranged from 0 to 36%. These figures again appeared to indicate the likelihood of the inconsistency of HR service offering across the company divisions, and which both HR customers and suppliers throughout the study have commented on.

Figure 6.6.3.2: Satisfaction with HRIA – BT Divisional Analysis



Note: BT Other\* - refers to BT Ignite, Affinitus, Concert and Cellnet

Source: Compiled by author



### **6.6.3.1      *Supplementary Findings III***

This section, which identifies what aspects of the HRIA were strong or weak in meeting managers' needs, is located in Appendix Q. Each HR customer and supplier has their own perception of the quality of the HR intranet which, appear to be based on their expectations, their experiences of the Internet and this HRIA, their role needs and personal standards for an intranet identified in terms of elements such as access, presentation or easy site linkages. Of particular note is the mention of different communication aspects which BT managers who could be regarded as "knowledge workers" find so important to their needs. There is also evidence that the possession and use of the capabilities that Harman and Brelade (2000) required of HR with regard to those in knowledge work, so that they might equip others to develop and use information systems, have not been realised.

At each stage of these findings, the evidence appears to be reinforcing a number of themes that are emerging from the data whether on an explicit or implicit basis. Each emerging factor and its theoretical connections are part of the construction of moving towards understanding the impact that the use of the HRIA may have on managers' satisfaction with the HR function in this single case. One of the key overriding factors so far which again, is both overtly stated and implied, is the responsibility of the HR leadership to shape and implement the HRIA strategy across the whole of BT and inform its external suppliers to address the many issues uncovered, not least of which is the inconsistency of HRIA service. Integral to the achievement of this strategy is the need to manage constituents' expectations and use every opportunity to communicate in both directions with them. Other factors such as role conflict, role familiarity or managers' responsibilities for operative level employees have not yet appeared to be important considerations within the findings of this study.

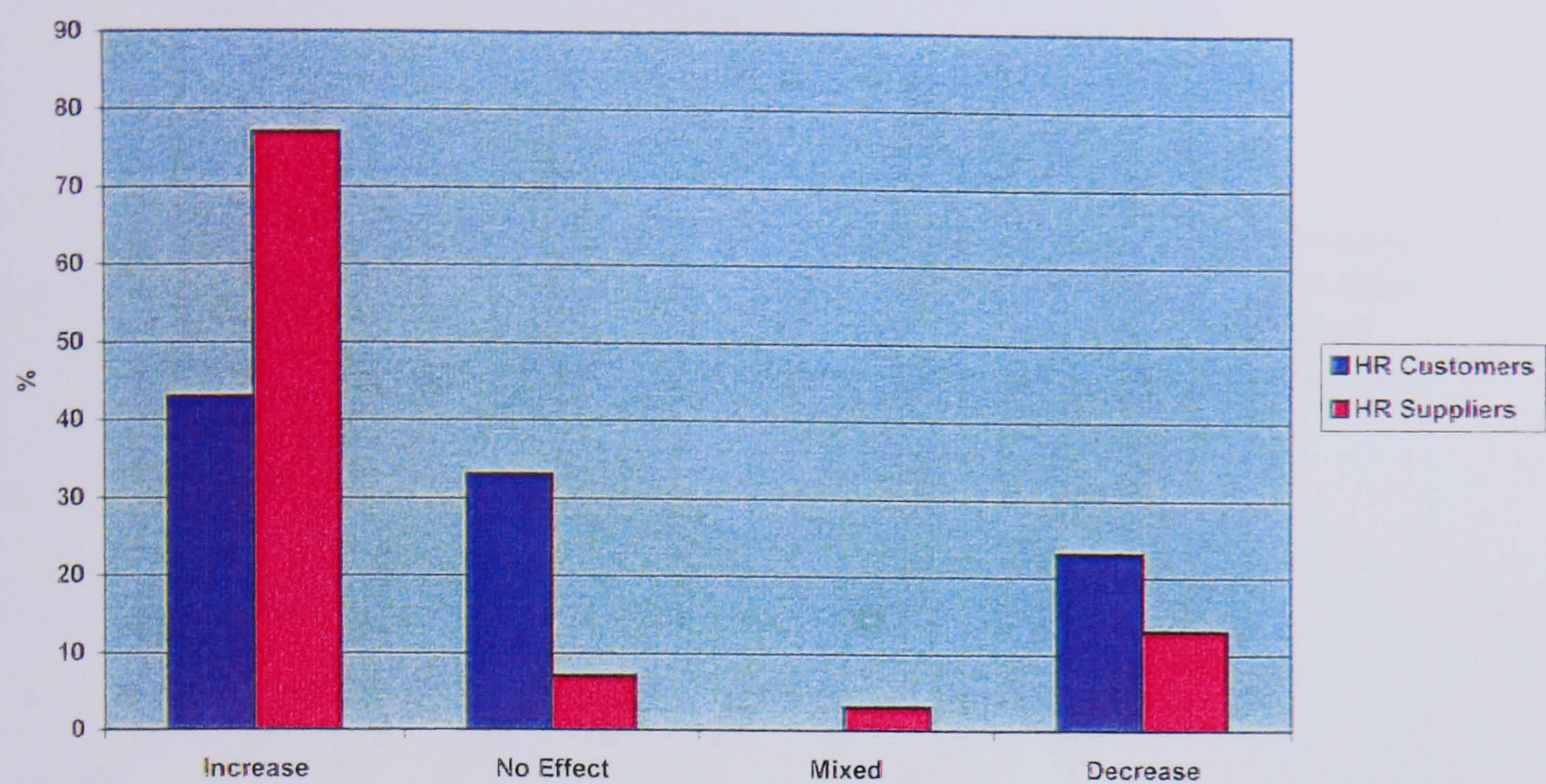
### **6.6.4 Impact of Use of HRIA on Satisfaction with the HR Function**

The responses to the question whether the HR intranet had increased, decreased or had no effect on managers' satisfaction with the HR function provided quite differing results from HR customers and suppliers (see Figure 6.6.4.1). While nearly 80% of HR suppliers felt that the intranet would have increased managers' satisfaction, only 43% of managers agreed. 33% of managers however, indicated it would have no effect on their satisfaction with HR, compared to 7% in HR. Of those who felt it decreased managers' satisfaction, 23% were HR customers against 12% of HR suppliers.

The quantitative and qualitative responses presented below highlight this continuing BT communication issue where the expectations and perceptions between the two are substantially different and this has been shown to be a long-standing situation in the internal marketing and services literatures (Brown and Swartz, 1989; Langeard et al., 1981; Hubbert et al., 1995; Luk and Layton, 2002). Thus, as well as being a first in the HR field for identifying the nature of the impact that the use of HRIA can have on managers' satisfaction with the HR function, it is one of only a few studies regarding the service provider-customer interface and communication between them (McColl and White, 1997).



Figure 6.6.4.1: Impact of HRIA on Satisfaction with HR Function



Source: Compiled by author

When the same information is presented by division (see Figure 6.6.4.2), the inconsistency between responses increases. Thus, while e-peopleserve felt that 79% of managers thought the HR Intranet had their increased satisfaction with the HR function, only 37% in BT Wholesale agreed. For those who felt it decreased their satisfaction, 33% were located in BTopenworld, whereas no one in BT Group chose this option.

When the respondents' explanations were taken into account, they illustrated possible reasons for the situation. Thus, several comments from those in BT Wholesale indicated that perhaps its intranet quality did not match some of the other divisions. BT's organisational context with its changing company and HR formats also appeared to influence individual reasoning.

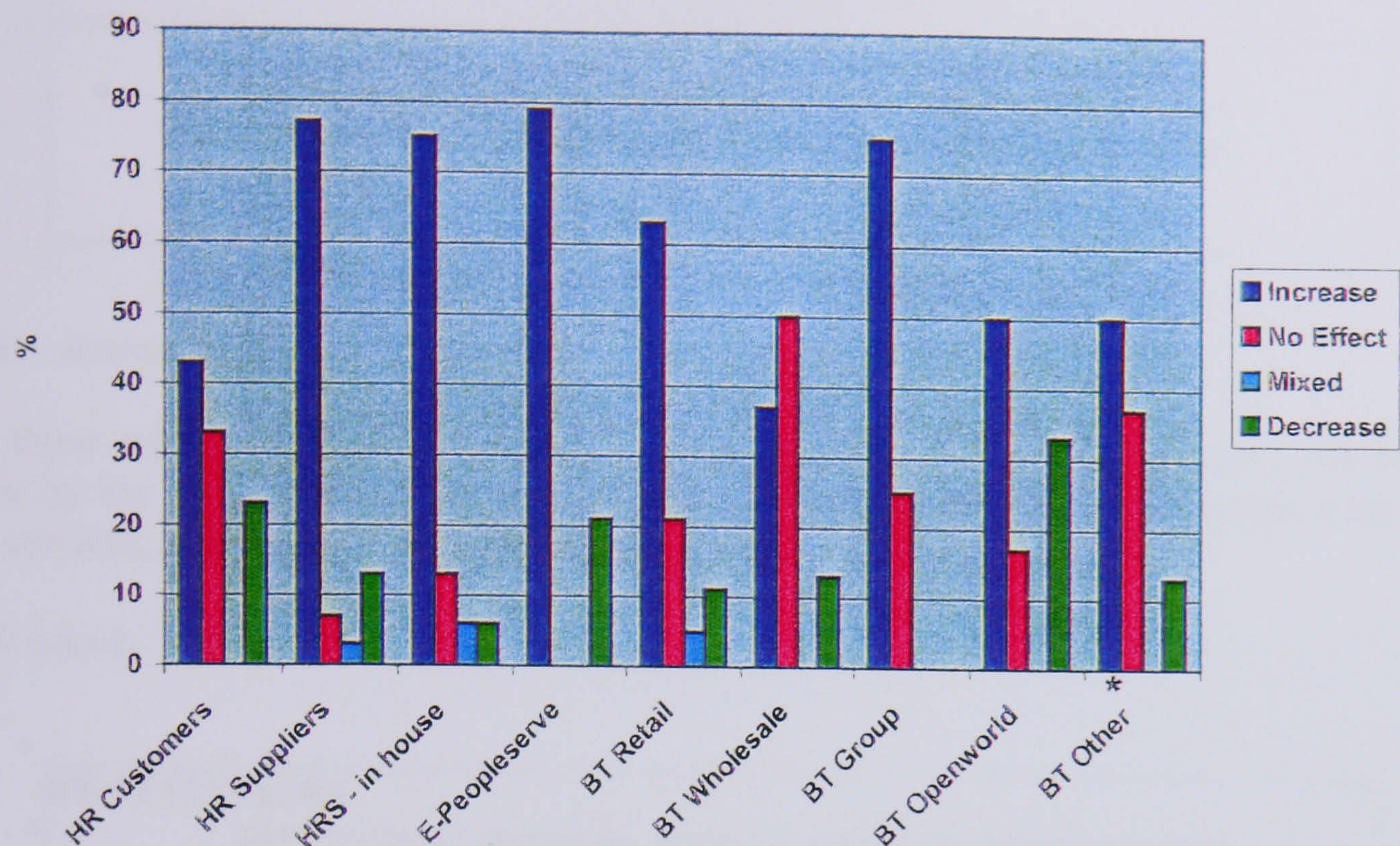
*One of the problems - different documents for different units - can find it for Ignite but not for Wholesale, and if I can find it, then out of date. Changes of companies set up, not HR's fault. (HRC19; S30)*

In addition, those in BTopenworld appeared to find their satisfaction decreased because their various expectations weren't met. While several mentioned shortfalls in particular aspects such as security, others were relating it to their preferences for human contact.

*I would say it's decreased because I expect more from the face-to-face relationship. (HRC20; S75)*



Figure 6.6.4.2: Impact of HRIA on Satisfaction with the HR Function  
BT Divisional Analysis



Note: BT Other\* - refers to BT Ignite, Affinitus, Concert and Cellnet

Source: Compiled by author

Other comments by the participants helped to explain their reasons and provided useful insights into the way managers and HR suppliers considered their world. Table 6.6.4.1 shows comments by those who felt the HR intranet increased their satisfaction with the HR function. The explanations given in each table once again highlight the individual focus on reasons for category selection, which appear to be influenced overall by personal factors, BT context, experience and role implications.

Table 6.6.4.1: Impact of HRIA on Satisfaction with HR Function – Increase

<b>HR CUSTOMERS</b> <i>It's probably increased my satisfaction. That's not to say they weren't supplying me with what I wanted before, it's extra, over and above. (HRC3; S56)</i>
<i>Intranet useful with absence of HR people. Increased, in context of less people around to answer questions. (HRC22; S74)</i>
<b>HR SUPPLIERS</b> <i>I think the use of HR applications has increased customer satisfaction. However, the danger is that managers believe they can become experts by reading websites, a little knowledge can be a dangerous thing. (HRS2; S55)</i>



<i>Probably increased it because if they can't get hold of HR person, there's somewhere else they can go. (HRS11; S71)</i>
<i>I believe that the Intranet HR applications have increased customer satisfaction with the HR function, because the consumers are more empowered to handle more of their own enquiries. (HRS10; S71)</i>

Source: Interview Data

For those who identified it decreased satisfaction with the HR function, the reasons given by the managers appear to have been influenced by their experiences with using HR services, both off and on line (Table 6.6.4.2).

**Table 6.6.4.2: Impact of HRIA on Satisfaction with HR Function – Decrease**

<b>HR CUSTOMERS</b> <i>I think probably decreased. Before I could ring people up, they seem so remote from us now, not an integral part of the business. (HRC19; S76)</i>
<i>From a personal point of view it's decreased it. I only use it rarely and when I have, not been able to complete my investigations. It's turned me off. (HRC21; S76)</i>
<b>HR SUPPLIERS</b> <i>I think it may have decreased it at 1st and 2nd line level, easier to have someone at the end of the phone to do things for you, whereas with the Intranet you have to be more proactive. Might see it as affecting their own roles. In the past, there have been thousands of HR people and they're now having to do it for themselves. (HRS22; S59)</i>
<i>It may have decreased it because they may have realised what they weren't getting before. (HRS25; S71)</i>

Source: Interview Data

A number of respondents indicated that the HR intranet had no effect on satisfaction with the HR function, but once more, within the comments differing perceptions and wider issues were exposed (Table 6.6.4.3). Thus, the attitude of senior managers to the HR intranet was again mentioned. Some customers also identified the importance of the HR person with whom they could interact, while others appeared to want more from the current intranet or saw it as cost cutting HR initiative with the implication of a lack of HR focus on their customers. Regarding each comment, once more many appear to be based on assumptions about the HRIA seemingly in lieu of information about its role within the HR service provision. Little evidence was found which acknowledged HR



consideration of informal channels and their possible effect on either HRIA use or HR’s image, supporting what has previously been found in the literature (Crampton, et al., 1998; Glover, 2001). Where mentioned was made, this was limited to an individual relating the nature of any informal contact with a manager.

**Table 6.6.4.3: Impact of HRIA on Satisfaction with HR Function – No Effect**

<b>HR CUSTOMERS</b> <i>I think sometimes when you see what's there, you're left thinking there should be more, or I wish they would update it. Not really had any effect. (HRC27; S69)</i>
<i>No impact, importance is the quality of the interface with the HR representative. (HRC5; S58)</i>
<i>With HR function, no effect. All that's happened they've replaced paper processes with online. Replaced it for cost control for their own needs. In terms of services provided no improvement. (HRC29; S71)</i>
<i>I would say that I don't think it's had a derogatory effect on it, I think it's changed it but not for the worse. Hasn't changed my satisfaction but it comes from a different satisfaction. (HRC15; S51)</i>
<b>HR SUPPLIERS</b> <i>More senior managers, probably very little impact either way, they have no day-to-day need of it. They're looking at high level and value, I'm guessing but they probably don't use it although they expect us to. (HRS22; S59)</i>
<i>I think it's a hygiene factor, if it wasn't there they'd complain about it, it's what we as a team bring. No effect then?? Difficult, which is why I used the term hygiene factor. It has increased effectiveness but I think most people haven't noticed. If it gets worse - then they will notice! (HRS12; S72)</i>

Source: Interview Data

One customer felt it would have increased their satisfaction but because of the headcount reduction in HR and a perceived resulting deterioration in services, it had cancelled the benefit out and now had no impact on their satisfaction with the HR function.

*I think problem is, in itself it would have increased satisfaction but along with changes, deterioration of HR service because resources have been withdrawn. No effect. (HRC1; S64)*



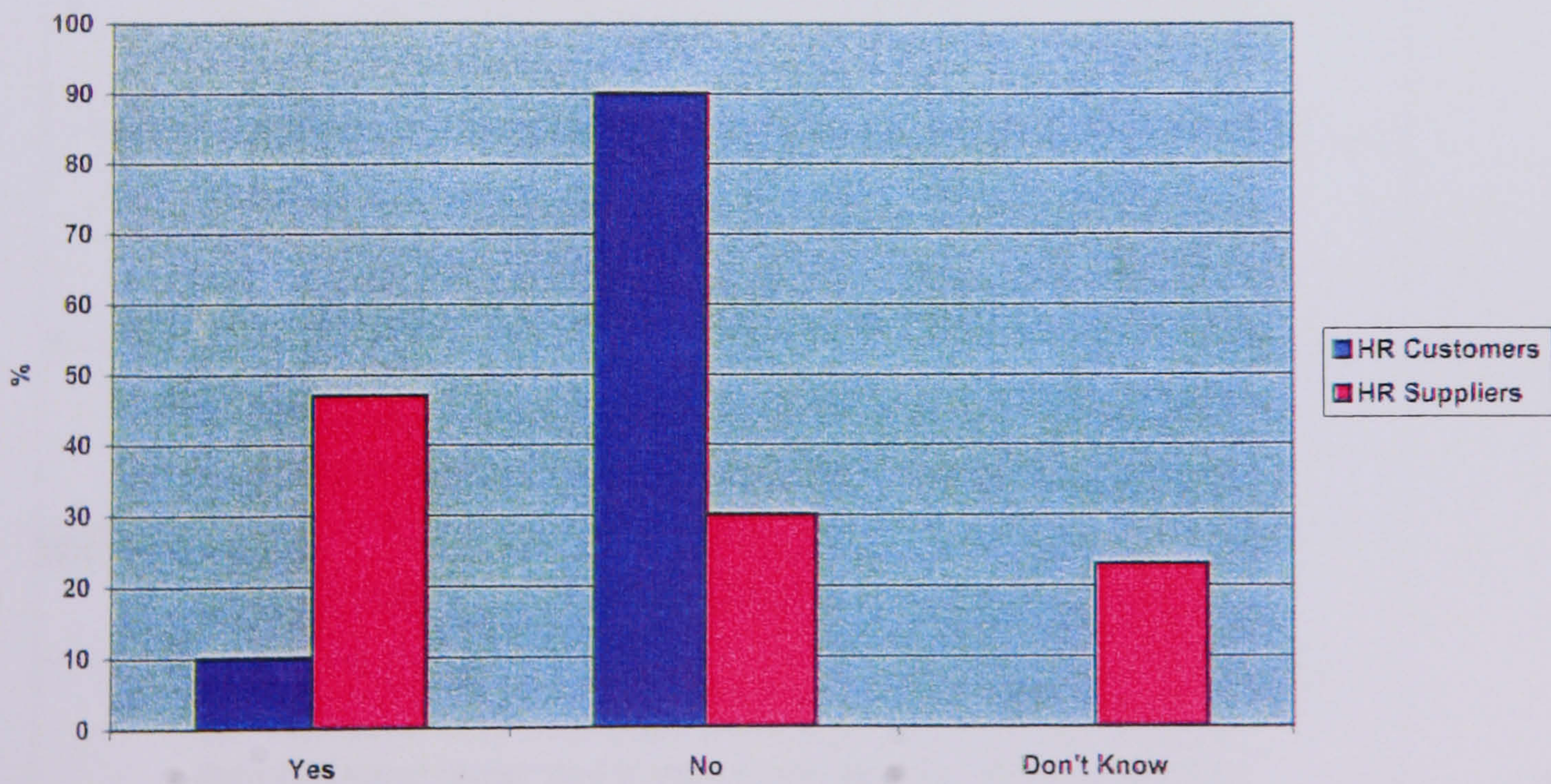
6.6.4.1 Summary – Sections 6.6 to 6.6.4

Sections 6.6 to 6.6.4 encompassed managers' expectations of the HR intranet as well as HR's own expectations of managers using the HRIA. Overall satisfaction with the HRIA, its impact on satisfaction with the HR function and an assessment of its strengths and weaknesses were also presented. The responses indicated a wide range of different perceptions with contradictions found between customers and suppliers and also within each group across the different company divisions. Individual factors, the BT context, respondents' roles and experiences with HR or managers appeared to influence expectations and attitudes towards the other party and the HRIA. Both managers and HR suppliers made assumptions about use of and attitudes towards the HR intranet due to an apparent lack of HRIA, or wider HR service, information. Achievement of expectations and satisfaction with the HR Intranet were the majority view of both HR customers and suppliers. There were however, large fluctuations between divisions and a core of negative responses. In addition, accompanying remarks indicated that the strength of satisfaction on the part of some individuals was very weak. The HRIA has been shown to make a strong impact on managers' satisfaction both positively and negatively.

6.6.5 Involvement in Planning of HRIA Developments

With regard to involvement in any planning activities concerning the implementation and development of any aspects of the HR intranet, 90% of HR customers indicated that they had had no involvement whatsoever. The responses from the HR suppliers however, were much more diverse. Thus, 47% indicated managers had been involved, 30% indicated they hadn't and 23% didn't know (Table 6.6.5.1).

Figure 6.6.5.1: Customer Involvement in HRIA Developments



Source: Compiled by author



Customer involvement has long been regarded as important to increase the success of an ICT, and to improve user satisfaction (Baroudi et al., Doll and Torkzadeh, 1989; McKeen et al., 1994; Lin and Shao, 2000) since involvement implies that the internal users’ requirements and expectations have been taken into account during the development process so that the end product is a system designed with the specific users in mind. End-user computing is a current trend in this area (Cavaye, 1996; Lin and Shao, 2000) and the process enables both ICT providers and users to gain a greater understanding of each side’s perspective as well as providing a valuable ICT user learning opportunity at the same time. It is also more likely that the ICT is more readily accepted, utilised more extensively and productively as well as achieving greater satisfaction because of the dialogue and connections between the two sides. Future ICT projects are also more likely to be approved given the success of the previous examples. Once more communication is an integral part, not only between suppliers and participants but for keeping those who are not involved in the ICT development up to speed about decisions and actions as well as providing an opportunity for feedback about any aspect needing further explanation, or additional user requirements.

In BT however, this situation did not appear to exist, certainly from the point of view of the managers, which again highlights both inconsistencies between different groups and locations in the company, and also the lack of appropriate company-wide communication or consideration of meeting individual or departmental expectations.

**Table 6.6.5.1: Customer Involvement in HRIA Developments – Customers and Suppliers**

<b>HR CUSTOMERS</b>
<i>I think yes, because there was a thing which came out 'what do you think of it?' but that's all. (HRC16; S67)</i>
<i>No. Not me personally, but nice to know if people on the ground were involved - getting feedback from people who were going to use the system. (HRC19; S68)</i>
<i>Not to my memory. But maybe it'd be good to have a community of people involved, assuring contacts across company and be able to measure against agreed development. (HRC2; S67)</i>
<i>No, but as users we should have had some input as to what's going on. If proper customer care, should ask us. (HRC9; S67)</i>
<b>HR SUPPLIERS</b>
<i>Customer involvement at all stages in my arena. (HRS14; S51)</i>
<i>Yes, they were. They were asked when it was scoped, what were the most important things they'd want to see and what takes so much of their time they'd like to see automated. (HRS7; S65)</i>



<i>They were involved in some aspects but we then couldn't deliver because of funding problems. Got feedback about next stages of e-enablement but this folded because of lack of funding. (HRS9; S64)</i>
<i>I don't really know, one would hope and expect that they were involved. (HRS22; S56)</i>
<i>No, but I think they should have been but then there's 40,000 (in whole of BT) of them so where do you start. (HRS3; S41)</i>

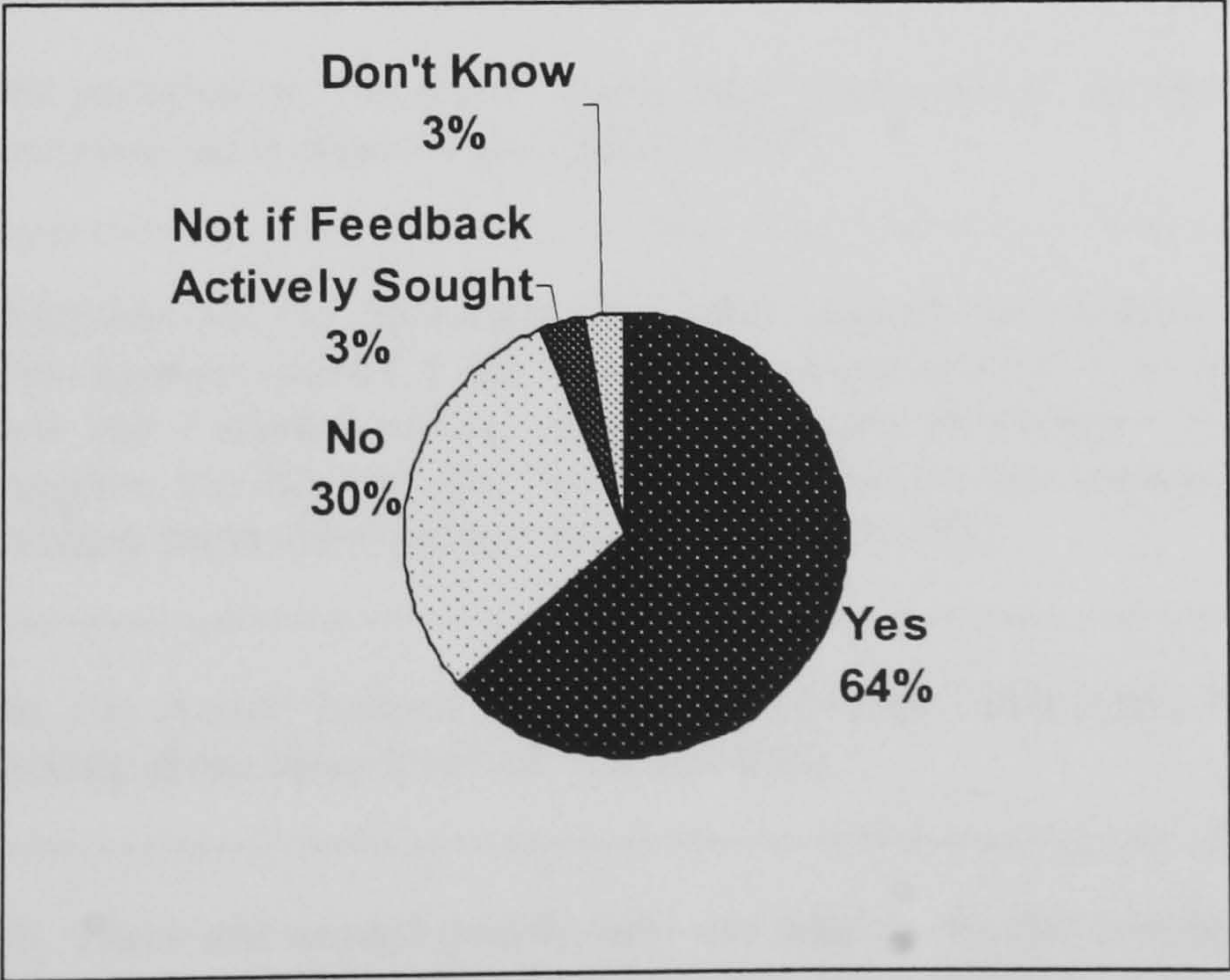
Source: Interview Data

6.6.5.1      *Involvement in HRIA Planning Required by Customers?*

When HR customers were asked if they felt they should have been involved with any HR Intranet developments, 64% answered yes, against 30% who replied in the negative (Figure 6.6.5.2).

HR customers gave a wide range of responses to explain their reasoning (Table 6.6.5.2). For those who felt they didn't require any involvement, factors cited included lack of time and other priorities, the expert knowledge of HR which they didn't have and those who assumed that, even though they weren't involved, other line managers would have been. Those who required involvement identified users' needs as important, as well as communication about how the process actually worked and who was involved.

Figure 6.6.5.2:      Customer Involvement in HRIA Developments – Required by Customers?



Source: Compiled by author



A key factor appeared to be the lack of information about what was happening and why, or what opportunities were available to be part of the involvement process, even if this was limited to being in the communication loop rather than any physical participation activities. As several managers rightly pointed out, if HR weren't designing the intranet for their customers, then what was the point? These comments again appear to reinforce a lack of HR customer focus and orientation. There also seems to be no consideration of HRIA involvement being part of a customer relationship building opportunity (Tansley et al., 2001) and this situation appears to encompass not just the introduction of the HR intranet five years ago, but any further developments (there have been two major version changes) or the launch of e-peopleserve services into the BT arena that have since taken place.

**Table 6.6.5.2: Customer Involvement in HRIA Developments – Required by Customers?**

<b>HR CUSTOMERS</b> <i>Yes, it would have been useful and important for us to input our needs for the support behind what was Internet based. (HRC11; S46)</i>
<i>It might have been nice to be consulted as to my expectations and what I wanted. They may have had a group that I'm not aware of. (HRC10; S66)</i>
<i>As a customer, yes, a customers' opinion should count surely. What are the most important things to us? Lot of things people design things for own needs rather than customers. (HRC6; S68)</i>
<i>Well, personally, I'd like to know who was involved with it and how it is done now, ongoing. No visibility of any of that. (HRC21; S69)</i>
<i>Not particularly, I'm one of many, many thousands of managers. I was involved in other things. (HRC5; S54)</i>
<i>Probably not, to be honest...but some aspects in Training and Development which I'd like to have known about early. Can access now but I started putting own management development course together, but HR was also developing one which was compulsory, so duplication there because not told. (HRC8; S53)</i>
<i>No, I'm a user, haven't got a HR background. I didn't feel I was lacking about being involved. (HRC3; S52)</i>
<i>No. There are enough people who are paid to do that without my help. I assume there were line reps that were involved in scoping the requirements and functional specification input from the line. (HRC22; S66)</i>



No. Not my job. I've got plenty of things to do. They employ lots of experts in that. (HRC24; S68)

Source: Interview Data

Among the HR suppliers, customer involvement was highlighted as very important, even where they had responded that managers hadn't been involved or they didn't know if they had been. Given the development and improvement of the HR intranet was an ongoing process, there also appeared to be a lack of communication within the HR function itself since 23% of the participants did not know what had or should have taken place with regard to user involvement in HR intranet developments (Table 6.6.5.3). This situation implies a worrying aspect for the collective capability of the HR function in BT. There appears to be the possibility that the cause may be the style of top HR management in the relationship with and management of their own staff, or that some HR incumbents are not interested in or have taken no action to find out what is happening within their own department. Both situations imply the need for HR to more closely evaluate its own training and development requirements.

Table 6.6.5.3: HR Suppliers' Awareness of Customer Involvement in HRIA Developments

<b>HR SUPPLIERS</b> <i>Not that I'm aware of. Definitely should have been. They're our customers and the users. If we can't design for their requirements why did we bother at all? (HRS20; S63)</i>
<i>I'm sure they were but I don't know any of them and I haven't met anyone who was involved. BT usually quite good at this and would appoint a representative group but I wasn't involved and I don't know anyone who was. (HRS12; S66)</i>
<i>Don't know. Most definitely, if you don't know what the client wants how can you design something to suit them. (HRS16; S66)</i>

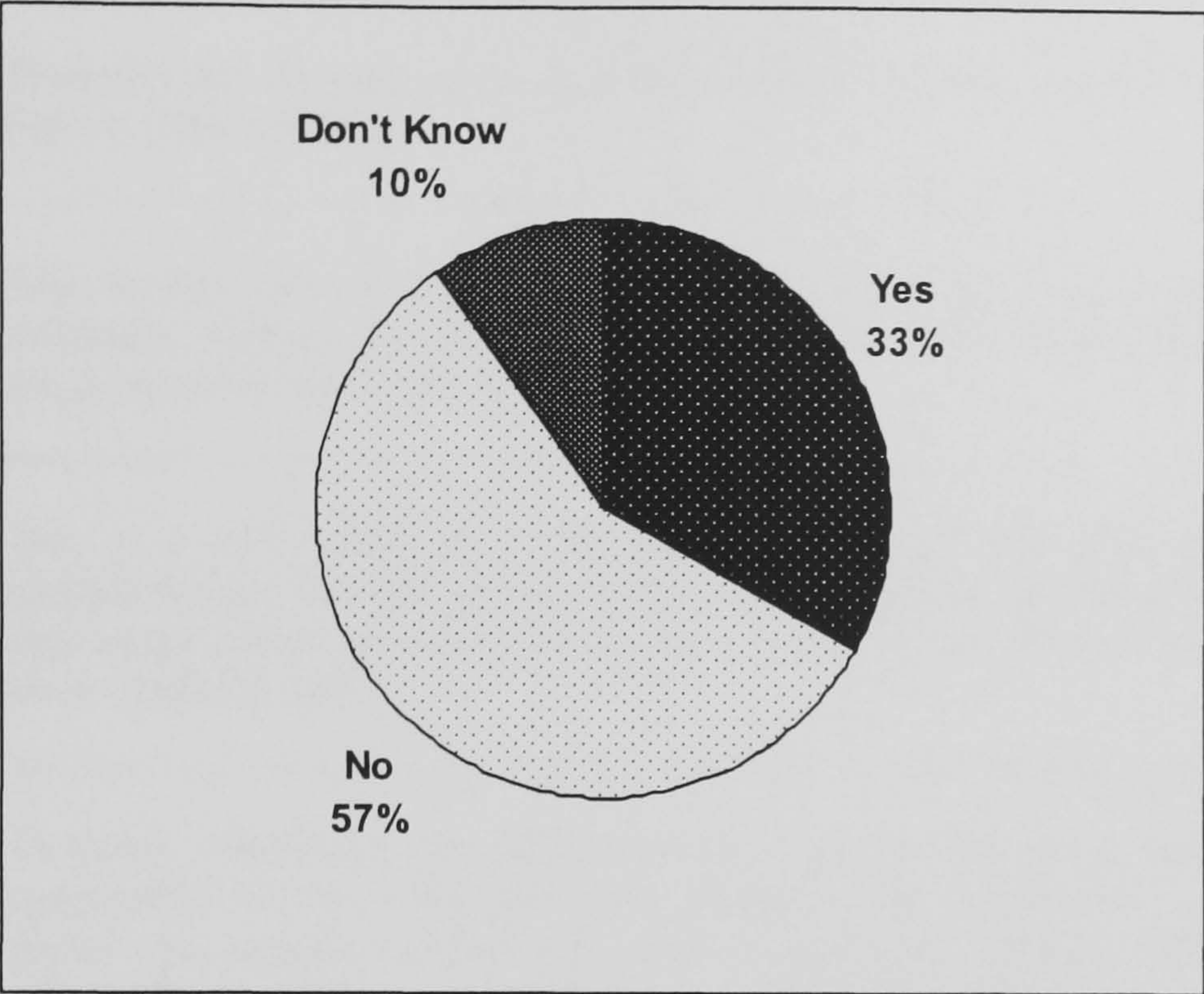
Source: Interview Data

**6.6.5.2 Effect of Involvement in Planning HRIA Developments on Satisfaction with the HR Function**

While 64% indicated they thought customer involvement in the development of the HR Intranet was important, a lower percentage (33%) felt it had any impact on their satisfaction with the HR function (Figure 6.6.5.3).



Figure 6.6.5.3: Customer Involvement in HRIA Developments – Effect on Customer Satisfaction with HR Function



Source: Compiled by author

Managers gave different reasons for why the lack of involvement affected their satisfaction with the HR function (Table 6.6.5.4). One interesting response appeared to indicate that the culture of BT was one where it was generally accepted that you weren't asked for your opinion. Those who felt it had made an impact and left them less satisfied with HR seemed to indicate that specific aspects, which they had expected, were not addressed, although as one notes, they hadn't contacted HR about this.

This research is the first to identify that managers' expectation of and satisfaction with HRIA involvement appears to have an impact on their resulting satisfaction with HR function. In addition, managers' comments enable the underlying reasons for each response to expose managers' perceptions of the HR supplier/customer relationship and their attitudes to participating in HRIA developments. Within BT however, no evidence that managers have been approached on a group or even an individual basis regarding their attitude towards HRIA involvement has been located, implying a wasted opportunity for communication, PR, relationship building and expectation management. Reasons given for satisfaction ratings encompassed managers' personal opinions, BT context, current role requirements and perceptions of HR's role.

Table 6.6.5.4: Customer Involvement in HRIA Development – Impact on Satisfaction with HR Function

<b>HR CUSTOMERS</b>
<i>No, I think they're the people with the specialism and should be allowed to get on with it. (HRC2; S68)</i>



<i>No, I don't think so. I'd still use it for it's full facilities. Within BT acceptance that people don't ask your opinion. (HRC6; S69)</i>
<i>Probably not because we're replicating functions they carried out before. (HRC25; S68)</i>
<i>Yes, because one of the things I would have pushed for was to get adequate training and guidance on the system, which would have made our lives much easier. (HRC9; S68)</i>
<i>Yes, as a user, although to be honest I've never fed back my dissatisfaction. But before they started to revamp the HR Intranet they never asked what didn't work for you and we could have told them. (HRC26; S65)</i>
<i>Certainly would have been difficult to get everyone but nice to have opportunity to say what you want. Reduced my satisfaction - it makes you negative before you start to get stuff dumped. DPR changed from APR - I use the forms now. (HRC19; S69)</i>

Source: Interview Data

**6.6.5.3      Section Summary**

This section, which explored the involvement of customers in the developments of the HR intranet, identified a large difference in responses between managers and HR suppliers. In addition, customers regarded involvement as important (64%) and some 33% indicated that the lack of involvement had a negative effect on their satisfaction with the HR function. This is the first research in the HR field that has investigated involvement in HRIA developments and its impact on managerial satisfaction with the HR function. The comments highlighted a lack of communication between the two groups regarding issues about HRIA involvement and a concern by managers that they weren't making best use of the HR intranet.

**6.6.6 Training on HRIA**

The subject of HR intranet training was a source of considerable dispute. There was disagreement between those in HR as to whether any had actually been provided, with some suppliers appearing to perceive the provision of intranet training as a sign of failure arguing that it should be intuitive and not require any such assistance. Once again, a lack of communication within the HR function itself appears to reinforce the problems of any consistent HRIA communication. Customers' opinions on the matter do not seem to have been considered. At the senior HR level as a group or by individual HR staff, HRIA information appears to have been disseminated on a limited and



narrow basis. Training is another participatory activity that has strongly been identified with ICT success and increased satisfaction (Black and Tripp, 1990; Grover and Teng, 1994). It too enables a relationship building opportunity as well as offering a “captive market” for any marketing and image promoting activities, an opportunity that BT HR do not appear to have exploited. Indications of satisfaction were consequently based on individual preferences and self-perception.

6.6.6.1 *Satisfaction with Training on HRIA*

The level of satisfaction with the training given on the HR intranet varied markedly within the two groups as well as between them (Figure 6.6.6.1). The highest category for HR customers was that of ‘no opinion either way’ at 30%. Of responses within the satisfactory category, managers rated 20% against HR's 33%; while those in the dissatisfactory classification scored 54% for customers, and 43% for HR.

Figure 6.6.6.1: **Satisfaction with Training Given on HRIA**



Source: Compiled by author

Satisfaction appeared to be influenced by a managers’ expectations based on their personal needs and perceived ability with Internet technology (Table 6.6.6.1). Once again, similar reasons for choices given by each individual were categorised very differently. This uniqueness of each response and reasoning provides an important justification for the need for to understand internal customers’ perceptions and their origins so as to plan an appropriate strategy for the choices to be offered for HRIA training.



**Table 6.6.6.1: Satisfaction With Training Given on HRIA – Managers and HR Suppliers**

<b>HR CUSTOMERS</b> <i>Satisfied. No training given but was appropriate as I'm a self-learner. (HRC20; S37)</i>
<i>No training on it. No opinion. I probably wasn't expecting any. (HRC10; S36)</i>
<i>No training given. Mildly dissatisfied. You work your way round it in the end. (HRC13; S22)</i>
<i>Dissatisfied. I don't think I got any. It might make me use it more if I'd had training and enable me to find pages quicker. Training's a good promotional aspect in itself. Explore and use with someone as opposed to read something or go on and find out for yourself. (HRC12; S36)</i>
<i>Never had any. Totally dissatisfied. Might know how to use it if someone had trained me. (HRC19; S37)</i>
<b>HR SUPPLIERS</b> <i>It should almost be irrelevant, should be intuitive, shouldn't have to train them. Finance is slightly more complicated, there isn't anything quite like that on HR Intranet. We give training to the key Group Employee Development people. Self service doesn't need training but what we have had is conference calls, walking through it - not generally for managers but for HR. only. Satisfied but requirement comparatively low. (HRS18; S36)</i>
<i>Don't know that there was any. Site was designed so it didn't need training. No opinion. (HRS13; S39)</i>
<i>Dissatisfied. I don't think we provided it. Nothing there to guide you. Structure of Intranet - best you get is the A-Z but then managers complain they spend all day looking for something. (HRS20; S37)</i>

Source: Interview Data

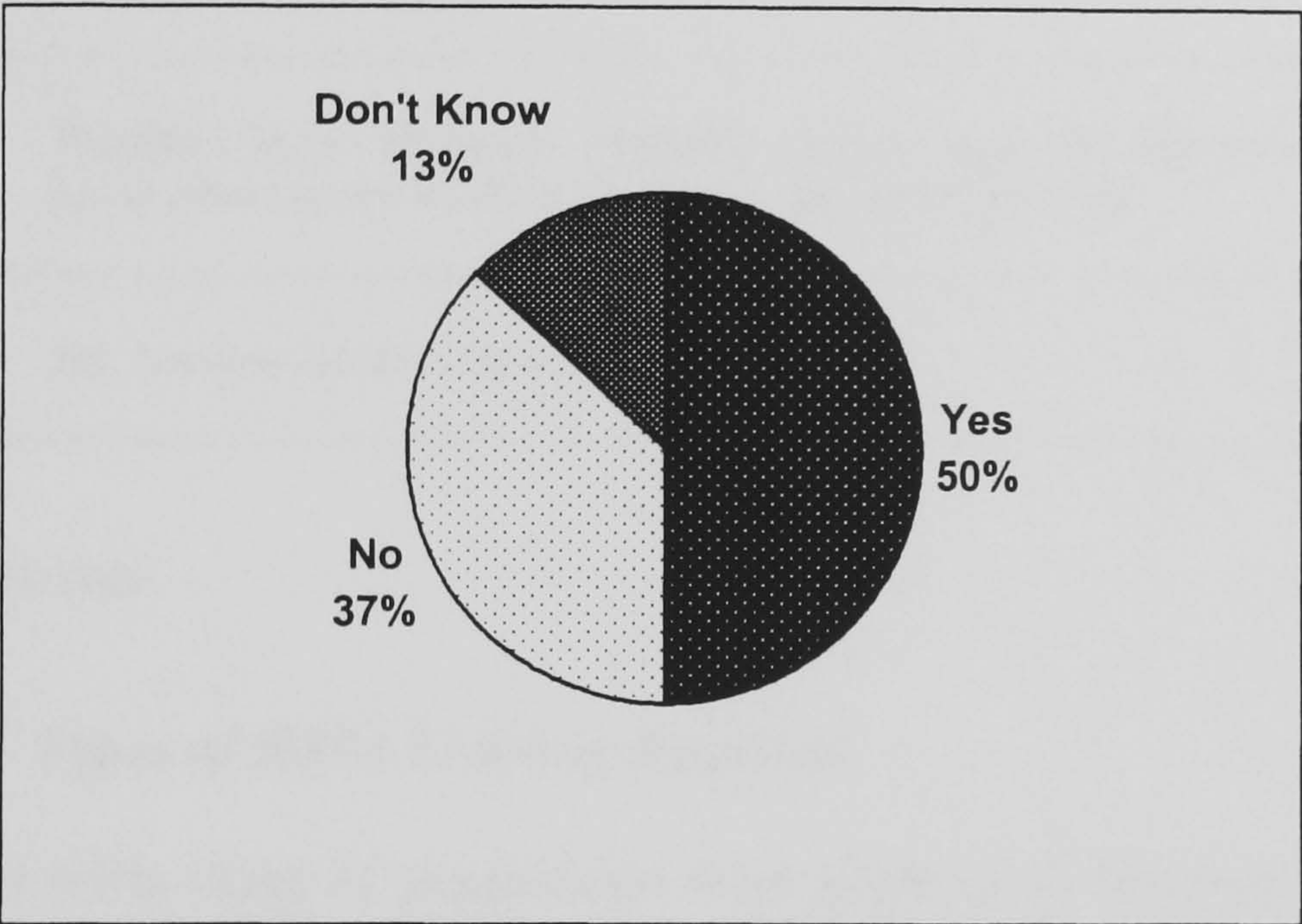
This may include ensuring that HR intranet training is part of a wider training strategy, with the need to assess current and future HR intranet training requirements, evaluating the effectiveness of the training and its outcomes. In addition, HR should be seen as a bridge between technical and people aspects of new intranet developments in BT. The latter will only occur however, with a concerted focus on internal HR intranet training and development that addresses these people/technical perspectives.



6.6.6.2 Training on HRIA and Effect on Satisfaction with the HR Function

While the satisfaction rating with HRIA training for managers gave 17% each to satisfied, mildly dissatisfied, dissatisfied and very dissatisfied, with 30% for no opinion either way and 3% for mildly satisfied (against 64% for wanting customer involvement in HRIA development), the resulting impact on satisfaction with the HR function was much higher than expected at 50% (involvement impact 33%), with 37% identifying that it hadn't made an impact (Figure 6.6.6.2). The reasons for the responses again indicated many differing perspectives (Table 6.6.6.2) and illustrates the need for aligned expectations since research has shown that both the lack of ICT training (Cragg and King, 1993) and perceived gaps in expectations between ICT users and suppliers (Kydd, 1989) have been linked to the failure of ICT initiatives.

Figure 6.6.6.2: Training – Effect on Managers’ Satisfaction with HR Function



Source: Compiled by author

This research is the first to identify that managers’ expectation of and satisfaction with HRIA training appears to have an impact on their resulting satisfaction with HR function. In addition, managers’ comments enable the underlying reasons for each response to expose managers’ perceptions of the HR supplier/customer relationship and their attitudes to participating in HRIA training. Within BT however, the lack of customer HRIA training opportunities and choices implies an additional wasted opportunity for communication, PR, relationship building and expectation management.

Table 6.6.6.2: HRIA Training – Impact on Managers’ Satisfaction with HR Function

HR CUSTOMERS
<i>I suppose it did initially. I was quite slow to start to use but now confident to use it and have built up amount of time it took to get best out of it and just assume I have best out of it but don't know.</i> (HRC6; S71)



<i>Yes, it's reduced it. If I've got to find something, rules on sick leave changed, previous automated form, now a person, how does the system work? Do they send me a letter or do I do the warning? Used to be guidelines, long-term sick - contact weekly. External company for welfare, don't know how this works, does this still happen? Don't know how this is supposed to work. (HRC19; S71)</i>
<i>Could have. If they'd shown us better places to use etc., need to market themselves, they're very good but their rating wouldn't be as high if I wasn't on Quality and Diversity (Team) because that's where I found out about HR. (HRC18; S70)</i>
<i>Well, probably not because I'm fully up to speed on it and used to working like this in my BT professional life, but could have had a bit more help. (HRC2; S70)</i>
<i>Wouldn't know. Probably, probably stuff on their site that I don't know about which would be better if I did. (HRC16; S70)</i>
<i>No, because I didn't expect it. (HRC13; S69)</i>

Source: Interview Data

**6.6.6.3      *Types of HRIA Training Required***

As expected a wide range of suggestions were given as to the type of HRIA training required by managers (Table 6.6.6.3). Each different format focused on the individual's particular preferences and needs (Rockhart and Flannery, 1983). Human contact appeared quite important to some managers. The range of responses also appeared to suggest a choice of options would be preferred with self-selection available. There were several suggestions that HRIA training ought be carried out during induction or when changing roles, which are not, currently done. Thus, the “me” factor was an important consideration to the type of training required and thus, it is likely that if these needs were met, this would increase the motivation to take part in the appropriate training (Tharanou, 2001).

In addition, while communication to be seen as effective, is about getting the right information to the right person at the right time, and as mentioned previously, rather than the information provider determining what is the right information and right time, these need to be determined by the priorities and needs of the individual concerned (Te'eni, 2001), this seems to also to apply to training. Training is after all a communication activity but how effective this proves to be, will only be indicated by further research directed at these outcomes.



Table 6.6.6.3: Types of HRIA Training Required by Managers

<b>HR CUSTOMERS</b> <i>I probably wouldn't like a self-service package. I'd prefer an interactive session with a Rep - expect this would be training and sales pitch - cover top level and different areas, access information quickly and what to do if you can't find info on the Intranet. Updated when notified that I can't find something - part of process. (HRC10; S67)</i>
<i>If our HR Reps came to our unit meetings and did a face to face for an hour. (HRC18; S69)</i>
<i>I'd quite like a face to face just to run through key HR things, where they are and who your key contacts are. Once we invited a HR person to team meeting but they couldn't give the detail we wanted. (HRC19; S70)</i>
<i>I think understanding of the structure of the website, how to get to where you want to go quickly. Cisco 2 clicks; BT 32! It's probably there on the A-Z but difficult to find. (HRC20; S65)</i>
<i>I think nice as graduate entrant, not tons, half hour CD Rom or even part of induction with line manager - to go through it, main bits that would be helpful. (HRC21; S67)</i>
<i>If any, a CBT at own leisure with a back up person to be able to speak to. (HRC22; S70)</i>
<i>Probably, an overview of what content they have, not how to use it but did you know, if you went here you could do this. (HRC23; S69)</i>
<i>I'm not sure I want training. I want it to be intuitive. It's not intuitive at the moment though. (HRC28; S70)</i>
<i>The only way it's going to be done, some sort of online package - I accept that, but I'd like that to be after a strong induction package. Not just when you join but when you change jobs, need different types of information about BT online services, new role, part of company etc. (HRC29; S68)</i>



#### HR SUPPLIERS

*I think as interaction with the intranet increases they'd like more training. I think they'd expect training to go hand in hand with task itself. If disciplinary case or recruiting someone, then training on what to do on Intranet, referenced to policy etc. a whole package 'a blended solution' latest catch phrase. Not separating Intranet from issue. (HRS28; S68)*

Source: Interview Data

Several comments also identified the difficulties faced because of the differing levels of ability and skill concerning the use of Internet technologies. While this does present problems, it also highlighted the need for HR to assess user requirements and provide a range of segmented training mechanisms that will facilitate achievement of optimum user benefit from a tool that has become essential both to the role of manager as well as a critical interface to HR activities.

*A lot of it is use and learn from it, learn by mistakes. I don't know if this is the right way to go. We did a course on Internet awareness - 40% said it was rubbish as they were way ahead, 40% thought it was great, and 20% didn't know what a mouse was and thought it was too difficult. (HRC8; S33)*

#### 6.6.6.4 Section Summary

There were substantial differences between managers and HR concerning satisfaction with training. Only 20% of customers gave responses on the satisfactory scale compared to 33% of suppliers, while managers scored the dissatisfactory scale as 54% with 43% for HR. Although some HR suppliers indicated training had been given or weren't sure, it was generally acknowledged by the customers and most suppliers that there wasn't any given. Satisfaction appeared to relate to what an individual's expectations were, and how comfortable they were with using the HRIA. This is the first research in the HR field that has investigated HRIA training and its impact on managerial satisfaction with the HR function. The comments highlighted a lack of communication between and within the two groups regarding issues about HRIA training and a feeling on the part of managers that there were capabilities and content on the HR intranet, which they were not aware of. Even those managers who had indicated they didn't need training identified types of training that would be useful for them. Induction, the introduction of new systems such as DPR and role changes were highlighted as occasions when training would be particularly useful. Because of the individual differences and preferences of users, a choice of training options appeared as the most favoured option.

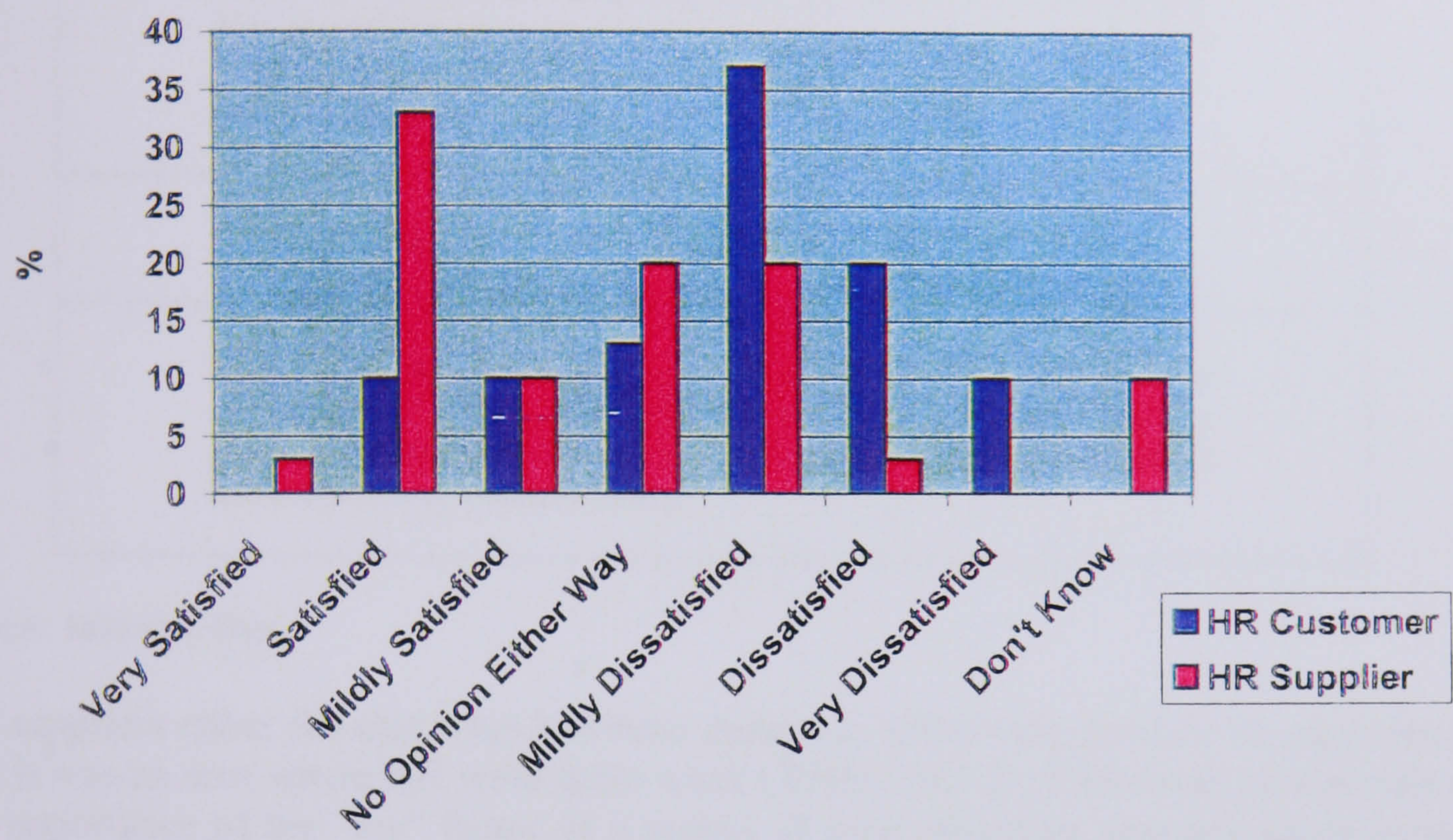
#### 6.6.7 Marketing of HRIA

The majority of customers felt that the marketing of the HR intranet was an area where little had been done by HR. Figure 6.6.7.1 illustrates the clear difference in perception between HR customers and suppliers with regard to satisfaction with HRIA marketing. Thus, the highest percentage category for HR was 'satisfied' with 33% while for managers the highest category was mildly dissatisfied at 37%.



Comments about the perceived lack of marketing for the HR intranet from the HR customers' perspective identified a missed opportunity for HR. Thus, effective marketing communication was recognised as being able to increase customers' knowledge about and usage of the Intranet and also, to improve HR's image within the company (Table 6.6.7.1). HR were identified as making assumptions about their customers, while managers also indicated they were making assumptions about the HR intranet because of a lack of information.

Figure 6.6.7.1: Managers' Satisfaction with Marketing of HRIA



Source: Compiled by author

This general lack of satisfaction with HRIA marketing impacts perceptions of HR's effectiveness as well as an underlying implication that HR don't really understand business as they didn't recognise the need for or implement marketing initiatives that could have achieved benefits for themselves as well as for their customers (Harris and Ogbonna, 2001). As with HRIA involvement and training, it should be an integral part of an overall action-oriented HR communication strategy that is actually implemented and monitored. Every opportunity should be taken to fully learn about HR's customers at each level, build and nurture relationships, provide information and demonstrate HR's contribution to both individual and company success (Wright et al., 2001).

Table 6.6.7.1: Managers' Satisfaction with Marketing of HRIA

**HR CUSTOMERS**

*Quite good. Satisfied. People News, e-mail to prompt that news is on the HR site, or things have changed. Right way, balance between push and pull, but then I'm focused into this area. (HRC28; S78)*



<i>Well, I think it could be one area where they have sold themselves short. More people would use it, if properly communicated about what was on it. (HRC8; S59)</i>
<i>Well, I think very poor. I don't know what it is they're offering. I'm making assumptions. (HRC6; S78)</i>
<i>I think that if HR has missed a trick, it's probably this. Can be a source of information. Ring and ask and they say it's on the net. Just assumed everyone's happy about going to the net and haven't positioned themselves to show this as a positive aspect of their role. (HRC15; S53)</i>
<i>Very poor, because it's non-existent. (HRC1; S66)</i>
<i>I don't think they do enough. It's trial and error. We don't know the information is there. They should have done a lot more and we should be able to use it a lot more. It's probably there but we don't know where it is. (HRC11; S51)</i>

Source: Interview Data

HR suppliers either felt that what had been done was either very good or the opposite in that it was an area where HR were quite weak (Table 6.6.7.2). There was recognition of the importance of the “me” factor as a means of both obtaining people's attention and providing a valuable service. Communication was perceived as needing to be specific to individuals' requirements, and not just general material that did not concern them indicating some acknowledgement, conscious or otherwise, of the need for segmentation (Kirsner, 1999) and the avoidance of information overload (Korac-Kakabadse et al., 2000).

Table 6.6.7.2: HR Suppliers’ Perceptions of HRIA Marketing

<b>HR SUPPLIERS</b>
<i>Mainly via e-mail for general messages. Big items, line HR do presentations and give information. (HRS22; S61)</i>
<i>Went through quite a heavy communication exercise based around previous website closing and information being migrated across....Run up to implementation highlighted in HR communications - monthly publications but also in employee newspaper and still a paper version of that and a 'Go Live' broadcast e-mail. (HRS9; S72)</i>



<i>I think we do mainly using BT Today Online and now link into People News Online...but fighting for attention of people with millions of things to look at - everyone thinks their bit is the important bit. Probably not effective, people always ringing up saying they weren't told about it. Not the answer to say we told them, need to be smarter. Not just lots of e-mails. What's in it for me interest. (HRS11; S73)</i>
<i>The marketing that I'm aware of, several paths, BT Today, website and magazine; PeopleNews, it's a newsletter. I think it's effective - we can tell from the number of hits, we can measure the response and it's always quite high. (HRS13; S76)</i>
<i>There's been communication but no marketing. Not really effective, my experience there's got to be 'What's In It For Me?' Got to find the sales hook, otherwise just seems it's another task loaded onto managers' time. (HRS3; S31)</i>
<i>Very little. It is an area at which we are very poor. Generally tend to send out an email. (HRS2; S57)</i>

Source: Interview Data

Most HR suppliers also recognised that no group e.g. managers, or individual segmentation had been carried out, but 20% did not know whether there was any segmentation or not. Several respondents from e-peopleserve identified this as deliberate in terms of what they offer. A small number in HR however, saw segmentation as a positive development (Table 6.6.7.3), but there did not appear to be a strong or consistent awareness of how segmentation could benefit HR as well as the managers by facilitating a much more efficient allocation of resources (Collins and Payne, 1994). Again this marketing area appears to be an internal HR training and development need for senior levels as well as for the general and management HR tiers.

Table 6.6.7.3: HRIA Customer Segmentation

<b>HR SUPPLIERS</b> <i>There's no internal marketing done now. No segmentation - we offer a standard portfolio of products and services. (HRS3; S58 External)</i>
<i>Definitely useful for managers and something we're looking at, personal profiles so when they go in info will be specific to those people. (HRS5; S74)</i>

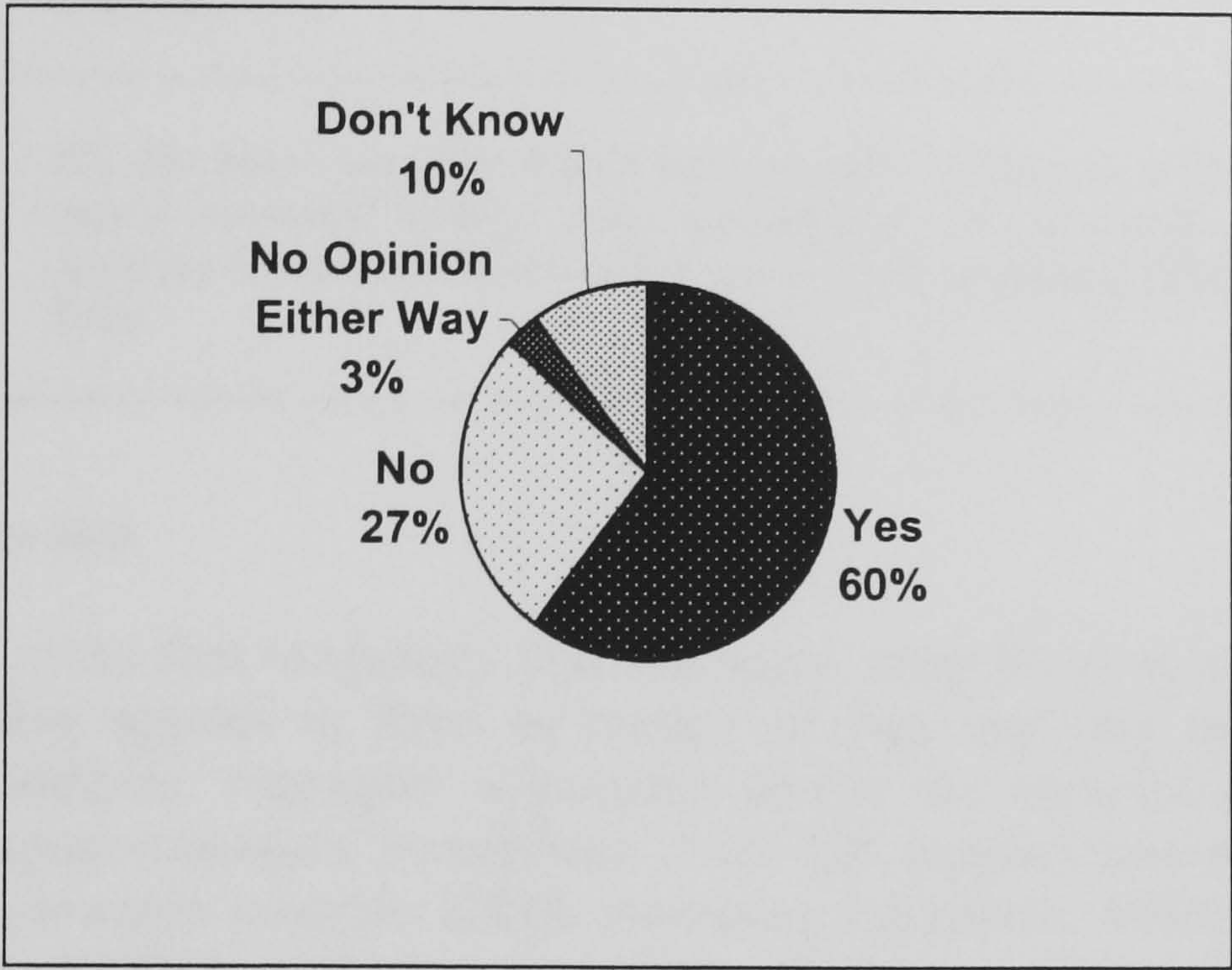
Source: Interview Data



6.6.7.1      *Effect of Marketing of HRIA on Satisfaction with the HR Function*

With 67% of HR customers indicating some element of dissatisfaction with HR’s marketing of the HRIA, the score of 60% who felt it affected their satisfaction with HR suggested a high level of importance, which customers gave to effective communication and information about a tool, which was becoming, if it already had not become, an essential part of their role (Figure 6.6.7.2).

Figure 6.6.7.2:      Marketing of HRIA – Effect on Managers' Satisfaction with HR Function



Source:    Compiled by author

Managers' reasons for their responses as to whether the marketing of the HRIA had an impact on their satisfaction with the HR function, seemed to reflect their attitudes towards both HR and the HR intranet (Table 6.6.7.4). A few managers had a dismissive attitude to HR, while others felt that the lack of marketing had had an impact on their own role.

Table 6.6.7.4:      Marketing of the HRIA - Impact on Managers’ Satisfaction with the HR Function

HR CUSTOMERS
<i>No, because I use whatever function I need, doesn't make a difference. (HRC6; S79)</i>
<i>No, most stuff from HR you ignore anyway. (HRC12; S78)</i>
<i>I would say main effect it's had is that I haven't utilised the tool as much as I could and yes, I suppose I'm less satisfied with HR. (HRC22; S77)</i>



<p><i>Yes, I think it has, it's decreased it as I've become almost a surrogate HR person for the team because I've used it enough to know what is there and I have to point people in the direction of the information. (HRC20; S78)</i></p>
<p><i>With a lot of these questions people always hover around mid point-reflects high concentration of people use for social info but can see it can be improved. May be very satisfied Tesco will deliver my shopping tomorrow but BT can't get so-and-so right, judging against a high level. Historically Intranet not used for marketing. (HRC28; S56)</i></p>
<p><i>It's OK but I would probably have thought of them as higher if they'd marketed better, more consistency etc. Generally still hovering between OK and chore to go on to do something. (HRC25; S78)</i></p>

Source: Interview Data

This research is the first to identify that managers' expectation of and satisfaction with HRIA marketing appears to have an impact on their resulting satisfaction with HR function. In addition, managers' comments enable the underlying reasons for each response to expose managers' perceptions of the HR supplier/customer relationship and their attitudes towards possible HRIA marketing initiatives. Within BT however, the perceived lack of HRIA marketing once again implies an additional wasted opportunity for communication, PR, relationship building and expectation management.

**6.6.7.2      Customer Suggestions for HR Intranet Marketing Information**

Managers were asked what information they would like to see publicised about the HR intranet. Several indicated they didn't want any more information because they already received enough e-mails, while the majority identified specific information or opportunities for feedback that they felt was currently lacking (Table 6.6.7.5). The range of responses indicated a need for increased but specifically targeted marketing communication (Kelly, 1999; Kirsner, 1999). Blanket messages negate the impact of important items being communicated, and HR should be wary of moving too far in the other direction by just providing more HRIA information (Zimmerman et al., 1996). HR is competing with many other internal and external communication and information providers and should seek to make each marketing communication count and the appropriate attention paid to it. This is unlikely to happen at the current time given the attitudes and perceptions of both managers and those in HR to the situation. Clarification of strategic level delivery and measurement of HR achievements were also identified, as this information was currently not available for managers.



Table 6.6.7.5: Managers' Suggestions for HR Intranet Marketing Information

<b>HR CUSTOMERS</b> <i>None, really. We all know it's there. No info other than occasional reminder when something new to see, otherwise another self-serving thing. (HRC13; S78)</i>
<i>In some ways I'm not even sure which functions are HR and aren't, they should make this clear and give more opportunities for feedback. If I go into stationery, don't know who owns it. More publicity about what is there could be doing them an injustice talking about another person's site. (HRC6; S77)</i>
<i>In sales lots of awards, incentives, front page but HR nothing, no awards or PR. They need to send out their organisation charts and show people what they do, all their work, projects and results. (HRC18; S17)</i>
<i>Kind of a 'did you know' they could help you with x, y and z. Personal experience type links, good common issues might be useful, how it's been managed, what helped. Quite often you read an ICIS document (the standard BT processes document), very dry, faceless, boring, but to read something and be able to chat with them and learn from them and adopt would be useful. (HRC21; S80)</i>
<i>Any service they provide. I know about Health and Safety because I'm involved in it. All I think about H&amp;S because it's what I know, but I don't know other parts. E-gatekeeper, is this HR's responsibility? If it is, that's pretty good. (HRC27; S72)</i>
<i>I'd like to see strategy clarification of what they're going to deliver, objectives and measurement of how they're delivering it. They expect that from their suppliers but no equivalent for the internal HR people. (HRC29; S74)</i>

Source: Interview Data

6.6.7.3 Section Summary

Communication and information about HR intranet capabilities were strongly considered by managers to be very important, but an area that HR had neglected to its cost. Responses about the HRIA marketing also highlighted differences in perception between HR customers and suppliers, so that managers scored 67% in a dissatisfied category, while HR indicated a 23% manager dissatisfaction rating. The impact on managers' satisfaction with the HR function was also substantial with 60% saying the poor marketing negatively affected their satisfaction. This is the first research in the HR field that has investigated HRIA marketing and its impact on managerial satisfaction

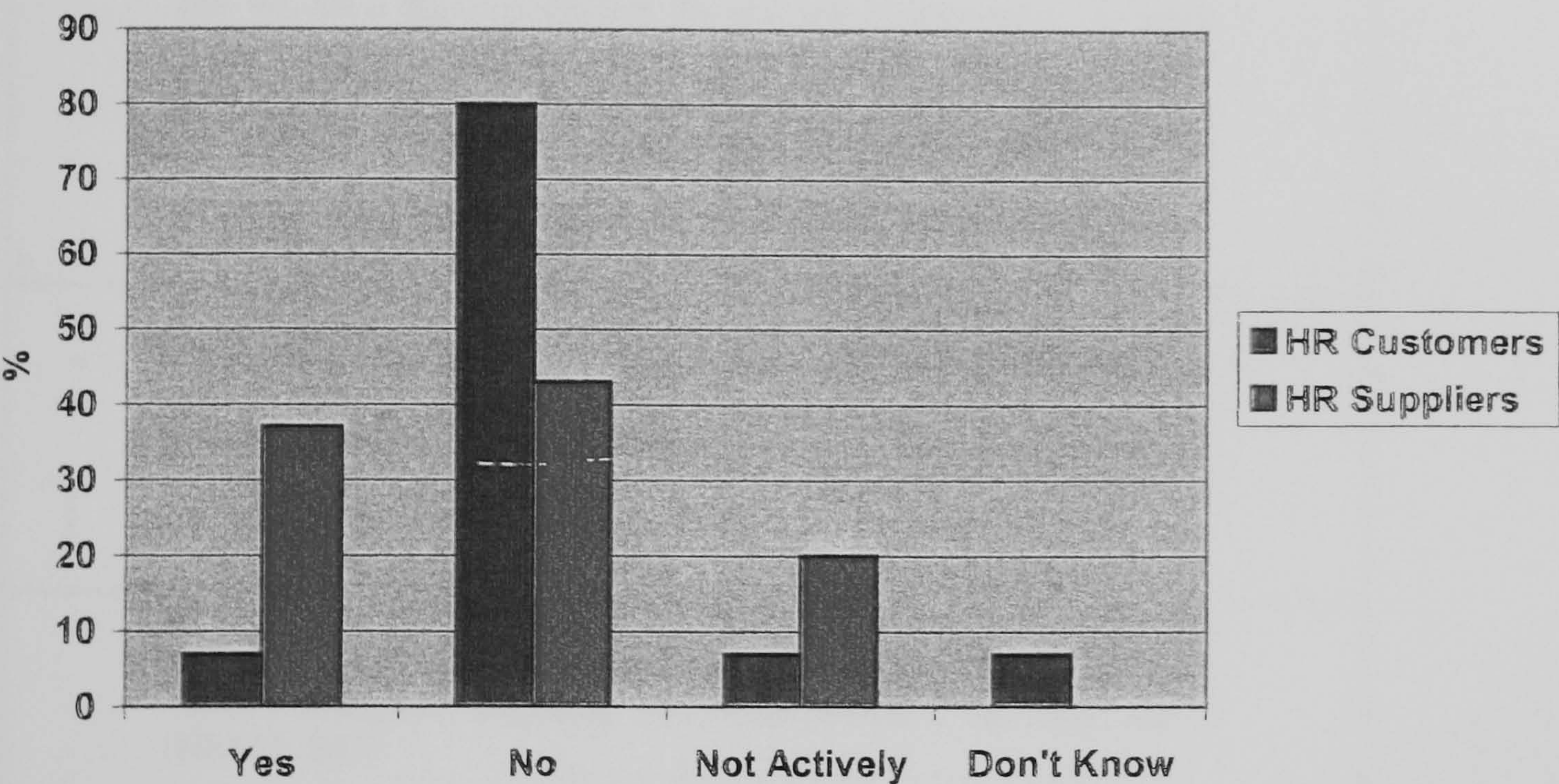


with the HR function. The comments highlighted a consistent lack of effective communication and any management of expectations and a feeling on the part of managers that there were capabilities and content on the HR intranet, which they were not aware of. No individual segmentation was currently carried out regarding provision of HRIA services.

6.6.8 Feedback About Use and Satisfaction with the HRIA

With regard to feedback being sought by HR about the HR intranet, Figure 6.6.8.1 again illustrated substantial differences between HR customers and suppliers. Eighty percent of HR customers indicated that they had not been contacted by HR about this issue, but HR suppliers, on the other hand, identified that 37% had contacted managers about their feedback on the HRIA, 43% hadn't and 20% distinguished that while feedback was possible (through a button on some HRIA web pages for instance) it was not actively sought (Table 6.6.8.1).

Figure 6.6.8.1: Feedback about HRIA Sought by HR



Source: Compiled by author

Although there was a much higher indication of feedback seeking by HR, there was a general feeling that in certain instances assumptions were being made in the absence of any hard data or knowledge. In addition, there appeared to be an inconsistency with regard to formal feedback mechanisms throughout HR as well as several who didn't see the need for feedback or know what to actually do with it if they got any. Once more, this reflects on those at the top levels in HR and further identifies the need for HR understanding of the value that appears to be lost in not exploiting or providing HRIA feedback opportunities. Inconsistency is again highlighted with the fact that only a few of the HR intranet sites have a feedback link, and of those that do, these links are not available on every page!



Table 6.6.8.1: Feedback about HRIA Sought By HR

<b>HR CUSTOMERS</b>
<i>I've never been personally approached and not aware of anyone else who has. (HRC21; S73)</i>
<i>I think they have done, but it's probably something I've ignored. (HRC23; S72)</i>
<i>Not as far as I'm aware. Never has anyone spoken to me about it. (HRC6; S73)</i>
<i>I don't think they do it, they don't go out and say give us, don't encourage by e-mail or other ways, not being proactive - are reactive - there may be a section for feedback on Intranet but don't proactively approach. (HRC7; S72)</i>
<b>HR SUPPLIERS</b>
<i>Yes. We did a Business Partner Survey, sent to managers - in what areas are we weak, strong and our role generally. We're quite close to them, we're constantly getting feedback. We're still getting it at the moment, I think we're valued and they really appreciate the things we do. If we didn't, we'd still know as we're in the same building. (HRS21; S20)</i>
<i>It's passive in the sense that if someone is having trouble enrolling they'll contact us. If they're not having trouble, we don't go out and seek feedback. We do seek feedback from classes but don't think that includes anything about online access specifically. (HRS18; S65)</i>
<i>I think &lt;name&gt; sends us figures at times. Lack of resources, haven't instigated anything and what would I do with info? (HRS11; S67)</i>
<i>No, not formally. We have statistics on long term sick, disciplinary cases etc. Be interesting to see trend data e.g. are people interested in their pensions etc. (HRS12; S70)</i>
<i>No, but we receive hits on each section and hits on different pages of section. Reflects what we thought, most complex and long sets of documents have highest hit rates. (HRS9; S67)</i>

Source: Interview Data



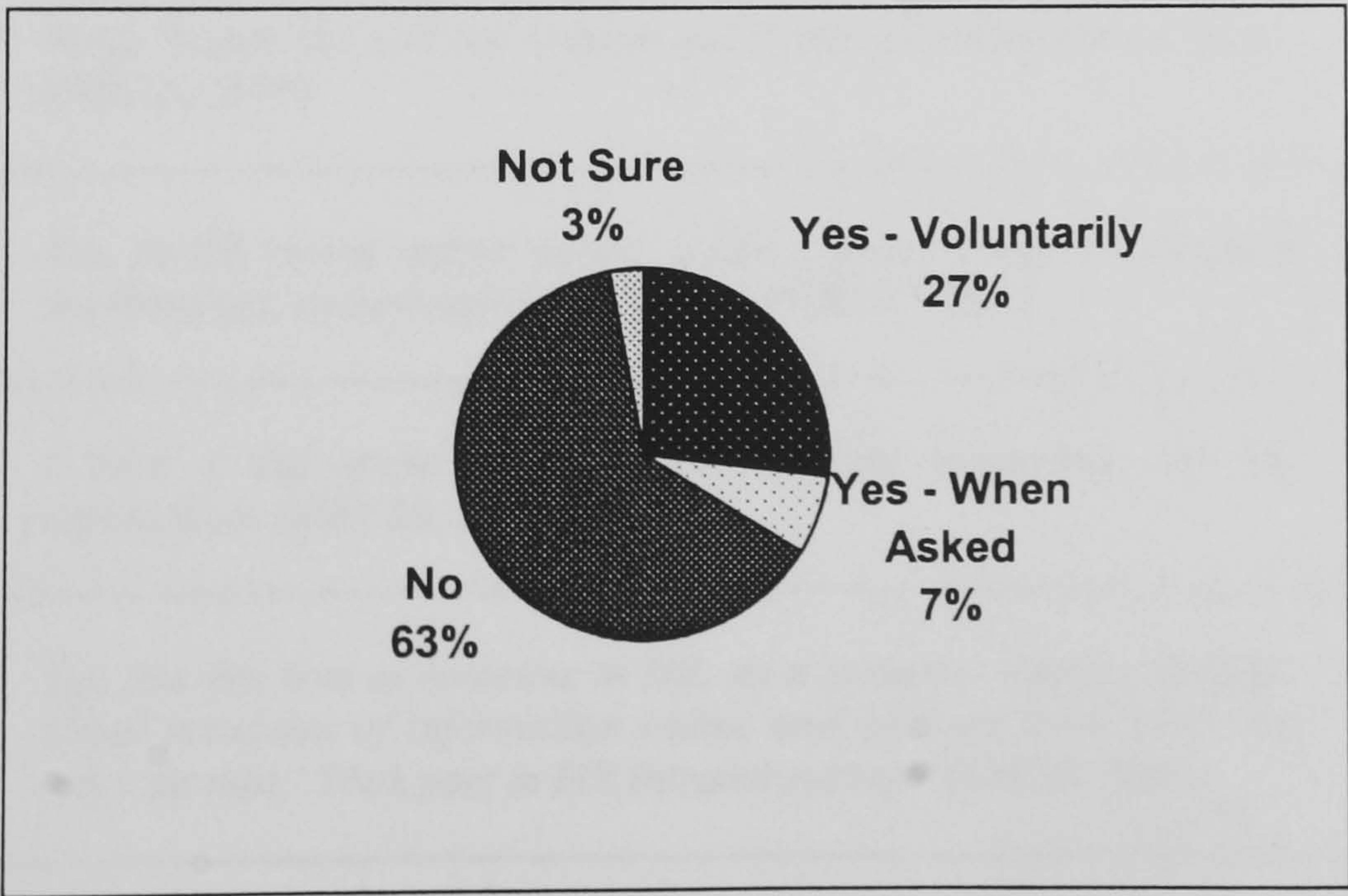
The HR informants thus, indicated that there were different feedback mechanisms but these tended to be either on a local, one-to-one basis (such as Business Partner Reviews where ‘business partners we work with are asked to rate our work’ (HRS22; S14) or were in response to comments initiated by the customer. One formal HR Intranet survey had taken place (in 2001 during its 5 year life in BT to date: 1997-2002,). The format of this survey however, was through a pop-up screen available only if you were actually using the intranet at the time and so would not have been seen by non-users.

With regard to e-peopleserve, there appeared to be no formal feedback process or monitoring of the Internet-based service (80% of its target activity – see Figure 5.4), but a voluminous report was produced monthly about Peopleline (the HR telephone backup service), the findings of which, according to in-house HR managers, were not communicated to them.

*We currently only survey telephony traffic as we do not readily identify web users of our services. (HRS23; S51 External)*

When the feedback situation focused on customer-initiated contact, there was still a general lack of interaction between HR customers and suppliers about the users' opinions of the online services provided. Figure 6.6.8.2 shows that 63% of managers have not given any feedback to HR about the HR intranet. However, even when comments had been given voluntarily by managers, as in the case of 27% of respondents, there appeared to be a general lack of action by HR. In addition, there also appeared to be widespread uncertainty of both who ought to receive the complaint and/or suggestion, and what the procedure entailed (Table 6.6.8.2). Some of the responses attributed to HR did not align with the expectations of a supposed “partnership” service and it appears often that the understanding of the implications of true partnership behaviour (Ulrich, 1997) is not widespread.

**Figure 6.6.8.2: Complaint and/or Suggestion about HRIA Made by Customer to HR**



Source: Compiled by author



Table 6.6.8.2: Complaint and/or Suggestion about HRIA Made by Customer to HR

<b>HR CUSTOMERS</b> <i>No, to be honest I haven't. I don't even know I'd guide it to. (HRC6; S72)</i>
<i>No, I hadn't thought about it. I might do now. I can always given suggestions on how they might approach things or do things differently. (HRC18; S71)</i>
<i>I've made a suggestion, nothing happened. Fed up but probably would have used a stronger word! (HRC7; S71)</i>
<i>Yes, it was responded to along line (company car entitlement and split of grade entitlement) that was decision agreed by Board, goodbye. Not we'll take your point of view and we'll consider it in future - no rationale as to why some people could order one car and not another - the Gods have spoken. (HRC21; S72)</i>
<i>Once that I can remember on our electronic training where we can access courses I made suggestion that there should be more information on course synopses. I don't know if made suggestion to right person, I spoke to someone on call centre and nothing happened as such. Not aware of online suggestion area, but there probably is. (HRC4; S71)</i>
<i>Yes, but probably not to right people. Who should I talk to? Talk to HR Rep but they won't necessarily know. One issue still outstanding, travel claim form, line says enter remote claim, one assumes remote/offline. What does this mean and if system goes down does that mean I have to do it again? Button doesn't work. Rang Peopleline said see website and I sent an e-mail but no reply. (HRC22; S70)</i>
<i>Yes, in the recent online survey. I don't know if they've changed anything yet, no communication as yet. (HRC27; S67)</i>
<i>I think I did about e-Gatekeeper. Nothing happened, met my expectation. (HRC28; S72)</i>
<i>Yes, but this was as someone in HR. As a customer I made requests about provision of information online and answers have been 'we can't do that.' Took part in HR Intranet survey. (HRC29; S69)</i>

Source: Interview Data

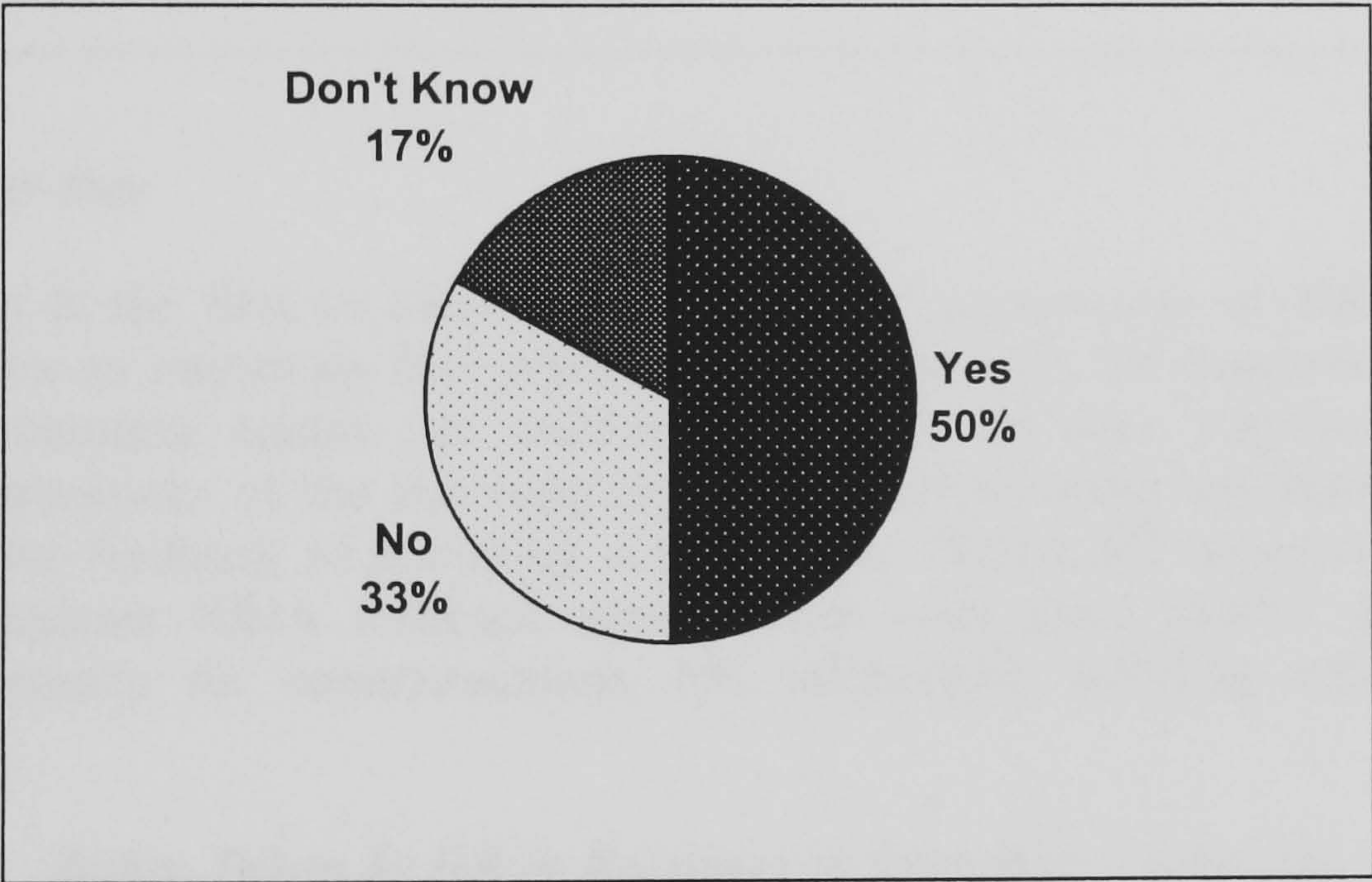


6.6.8.1 *Effect of HRIA Feedback Seeking on Satisfaction with the HR Function*

When asked whether the lack (if they responded that no one in HR had contacted them) of feedback seeking by HR had had any effect on their satisfaction with the HR function, 50% indicated that it had, with 17% answering ‘don’t know’ and 33% responding that it had no effect (Figure 6.6.8.3).

Managers’ comments reflected their opinions of HR as well as their own considerations such as lack of time and how busy they were (Table 6.6.8.3). Expected support from HR did not appear to be offered, and the “me” factor was also perceived to be missing, further evidence of HR’s predilection for documentation over implementation, and a lack of recognition of the role of feedback in enabling service to be provided effectively and efficiently (Barney and Wright, 1998).

Figure 6.6.8.3: HRIA Feedback Behaviour – Effect on Managers' Satisfaction with HR Function



Source: Compiled by author

Table 6.6.8.3: HRIA Feedback - Impact on Managers' Satisfaction with HR Function

<b>HR CUSTOMERS</b>
<i>No, that feedback thing takes up time. (HRC14; S73)</i>
<i>No. I mean the fact that they respond when I directly ask for help, prove they are. (HRC30; S74)</i>



<i>I guess so, I don't really know. Hadn't thought about it, my approach is to use Peopleline but my Account Manager has never asked me and perhaps they should have. (HRC22; S72)</i>
<i>I suppose in some ways I'd have been more satisfied if I'd known someone to speak to. You get on the best you can, we have such busy lives - need to find a quick way and often don't find answer to problems, only if it made me less effective then I'd be jumping up and down. (HRC6; S74)</i>
<i>On that particular area, yes, but not major impact as it's a very small area. (HRC4; S73)</i>
<i>Yes, if I fed back things that concerned me, it would make me more satisfied as it would address my issues. (HRC13; S72)</i>
<i>Yes, because you think they chuck it out, not bothered if it's useful or whether you use it. (HRC19; S74)</i>

Source: Interview Data

This research is the first to identify that managers’ expectation of HRIA feedback appears to have an impact on their resulting satisfaction with HR function. In addition, managers’ comments enable the underlying reasons for each response to expose managers’ perceptions of the HR supplier/customer relationship and their attitudes to being asked for feedback or providing it voluntarily. Within BT however, the lack of consistent customer HRIA feedback opportunities once again implies an additional wasted opportunity for communication, PR, relationship building and expectation management.

**6.6.8.2      Action Taken by HR in Response to Customer Comments**

HR suppliers were asked what action they would take if one of their customers made a complaint or suggestion to them about the HR intranet (Table 6.6.8.4). While the responses were unprompted, only 3 (or 10%) HR participants mentioned that they would get back to the customer. Although not conclusive, when viewed with the content of each comment, this is perhaps another indication of a lack of customer focus by those in HR.

**Table 6.6.8.4:    HR Action in Response to Customer Comments**

<b>HR SUPPLIERS</b> <i>I use the information as appropriate. If a problem, I put the problem right. If it's an idea, I pass it on or dismiss it as appropriate. (HRS13; S72)</i>
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<i>It's unlikely. If it is made, comes through feedback facility and we'd action it and make changes, if appropriate, and go back to person who made it, if constructive, not just whingeing. (HRS29; S70)</i>
<i>I suppose I'd only get complaints. Pass on to &lt;name&gt;. (HRS15; S63)</i>
<i>I would pass it on to relevant party and make sure they got back to customer as to how and why they did or did not implement it. (HRS5; S69)</i>

Source: Interview Data

There were also a number of explanations given by those in HR to explain their view, and these appeared to highlight some of the issues around communication and expectations' management, both between HR and their customers, but also within HR itself (Table 6.6.8.5) and a somewhat reluctant approach to solve problems or take action when needed.

Table 6.6.8.5: HR Supplier’s Response to HRIA Customer Comments

<b>HR SUPPLIERS</b>
<i>Sometimes you use the technology e.g. pay review - all details and then you send it out to managers and when they send it back it's just awful and you have to print it all out and put in manually. Feeling you're using technology to get it out and at the end of the day have to put it all in again because of the errors etc. (HRS12; S28)</i>
<i>I should update the strategy piece. I feel it's been put there because it should be. I don't look at it often and I'm not sure other people do. We've all got to have the web site, but if I want to know something, I call around the office, I don't have the time otherwise. I'd like to know how many hits on the site. (HRS19; S27)</i>

Source: Interview Data

6.6.8.3 Section Summary

The responses of HR customers and suppliers to whether HR had contacted managers about feedback for the HR Intranet, again showed a wide margin of perception between the two groups. Thus, 80% of managers said they hadn’t been approached against 42% of HR suppliers. Managers also were less proactive in that 63% revealed that they had not approached HR with a suggestion or complaint. A significant number indicated they did not know who to contact. Those who had made suggestions or complaints identified that they either didn’t get an answer or it was unsatisfactory. Half of all managers reported that HR feedback behaviour negatively affected their satisfaction with HR.



This is the first research in the HR field that has investigated HRIA feedback and its impact on managerial satisfaction with the HR function. The comments highlighted a lack of communication between the two groups regarding issues about HRIA feedback and a general lack of action on the part of both managers and those in HR to initiate contact and solve problems.

#### **6.6.9 Customer Satisfaction with HRIA Technology**

This section and the next two sections (6.6.10 on information content and 6.6.11 on service quality) present the responses given on the level of customer satisfaction with the specific aspect in question. As with the preceding questions, HR suppliers were asked for their opinion about their managerial customers' level of satisfaction. The response 'no opinion either way' was given where there was a mixed response (e.g. some satisfaction and some dissatisfaction) or the participant felt neutral about the issue. If a respondent was not sure how they felt or in the case of HR, had not discussed this with any managers or were not aware of their feelings, this was categorised as a 'don't know' unless a classification was specifically given.

In order to keep the chapter size to a manageable length only a summary of the aggregated category satisfaction findings and "most important" category items have been included in the main text. The individual item findings for HRIA technology are located in Appendix R (Supplementary Findings IV); HRIA information content in Appendix S (Supplementary Findings V) and HRIA support in Appendix T (Supplementary Findings VI). Each of the chosen items had been identified from the ICT literature as a possible factor for this study when evaluating HRIA user satisfaction. However, the important aspects for this investigation appear to be the overall level of satisfaction for each and which item was considered as "most important" by the two groups, managers and HR suppliers. Theoretical connections are thus, focused on these facets where appropriate literature is available.

In the pilot study, participants had been asked only if managers were satisfied or dissatisfied with a particular aspect of the HR Intranet, and the responses were such that managers appeared to respond that they were satisfied only because they did not have a negative experience on which to indicate anything less than satisfied. For the main study, respondents were given the choice of a range of responses – very satisfied, satisfied, mildly satisfied, no opinion either way, mildly dissatisfied, dissatisfied, very dissatisfied or don't know. In addition, some of the quotations throughout the next three sub-chapters showed similar comments but the individuals rated the categories very differently i.e. dissatisfied, mildly satisfied or very satisfied, highlighting the often contradictory expectations and personal criteria for degrees of satisfaction.

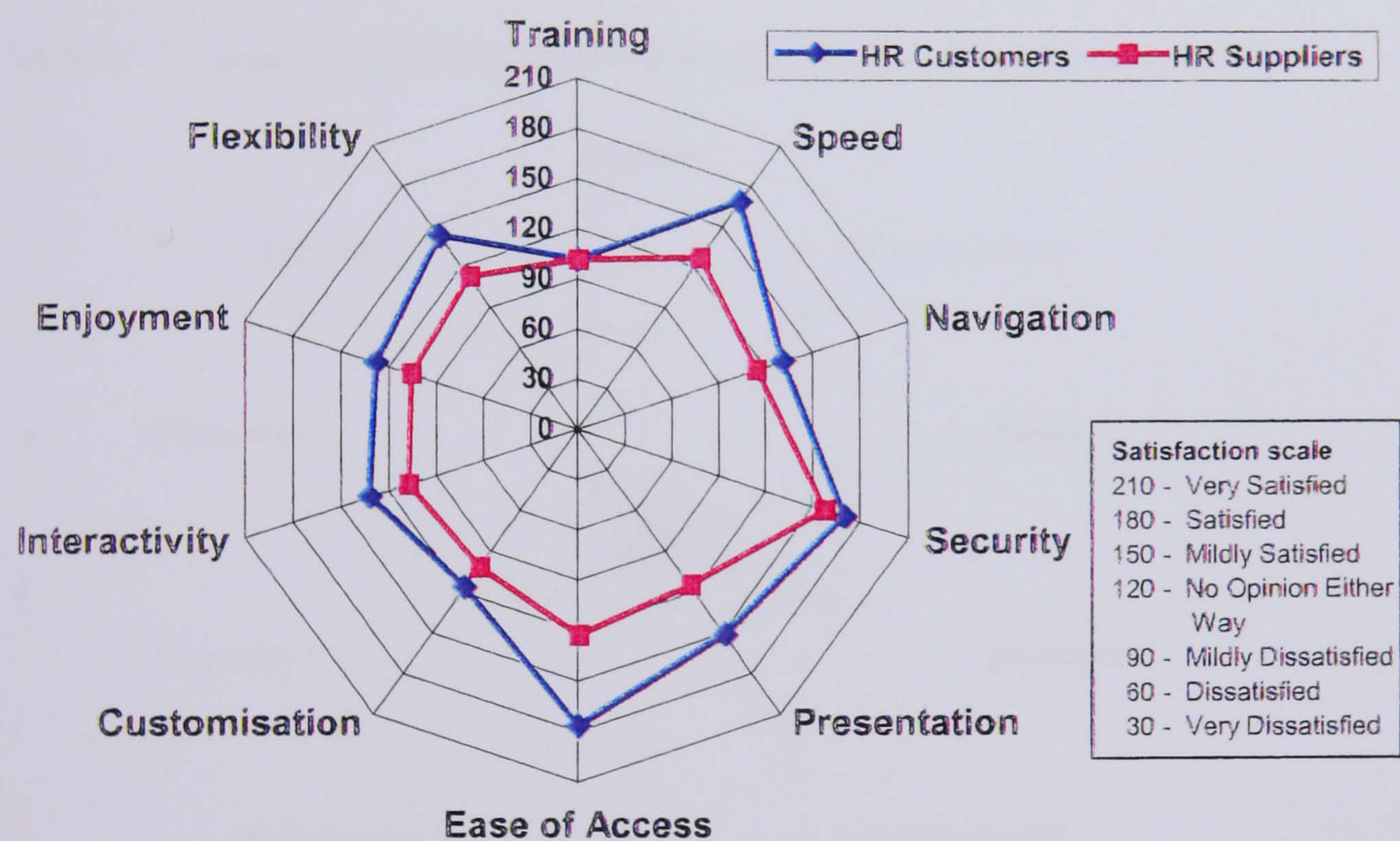
Training was originally included as a question within this category. However, for analysis purposes (so responses to all training related questions were kept together), they can now be found in section 6.6.6. Figures 6.6.9.1, 6.6.9.2 and Table 6.6.12.4 however, continue to include the training satisfaction responses.



Each factor (e.g. speed) on the radar charts such as in Figure 6.6.9.1 can achieve a maximum score of 210. A numerical scale of 1-7 matched each response (7=very satisfied; 6=satisfied; 5=mildly satisfied; 5=no opinion either way; 4=mildly dissatisfied; 3=dissatisfied; 2=dissatisfied; 1=very dissatisfied; 0=don't know). With 30 participants in each group of HR customers or HR suppliers, the maximum score for the overall satisfaction rating is (7x30) 210. The charts were produced in Excel from information transferred from NVivo.

The overall satisfaction rating for the technology category (Figure 6.6.9.1) illustrates a number of areas where HR have scored themselves lower than their customers in nearly all categories. Training, the exception was scored equally between the two groups at 100, which was close to a “mildly dissatisfied” rating. The high scorers for managers were speed, security and ease of access, but even at 175 overall, this just fell short of a “satisfied” rating.

Figure 6.6.9.1: Overall Satisfaction Rating with HRIA Technology



Source: Compiled by author

The literature has often shown that service providers (Brown and Swartz, 1989; Hubbert et al. 1995; Luk and Layton, 2002) and HR (Wright et al., 2001) when questioned about standard aspects of service quality consistently score themselves higher than the ratings given by their customers. Internet technology to provide HR services appears however to be something of an unknown quantity particularly to those in HR, and this may explain why they are not so confident of how their performance is generally perceived. Combined with the findings that have shown a lack of contact and communication in BT about HRIA issues between HR and managers, assumptions often appeared to be made.

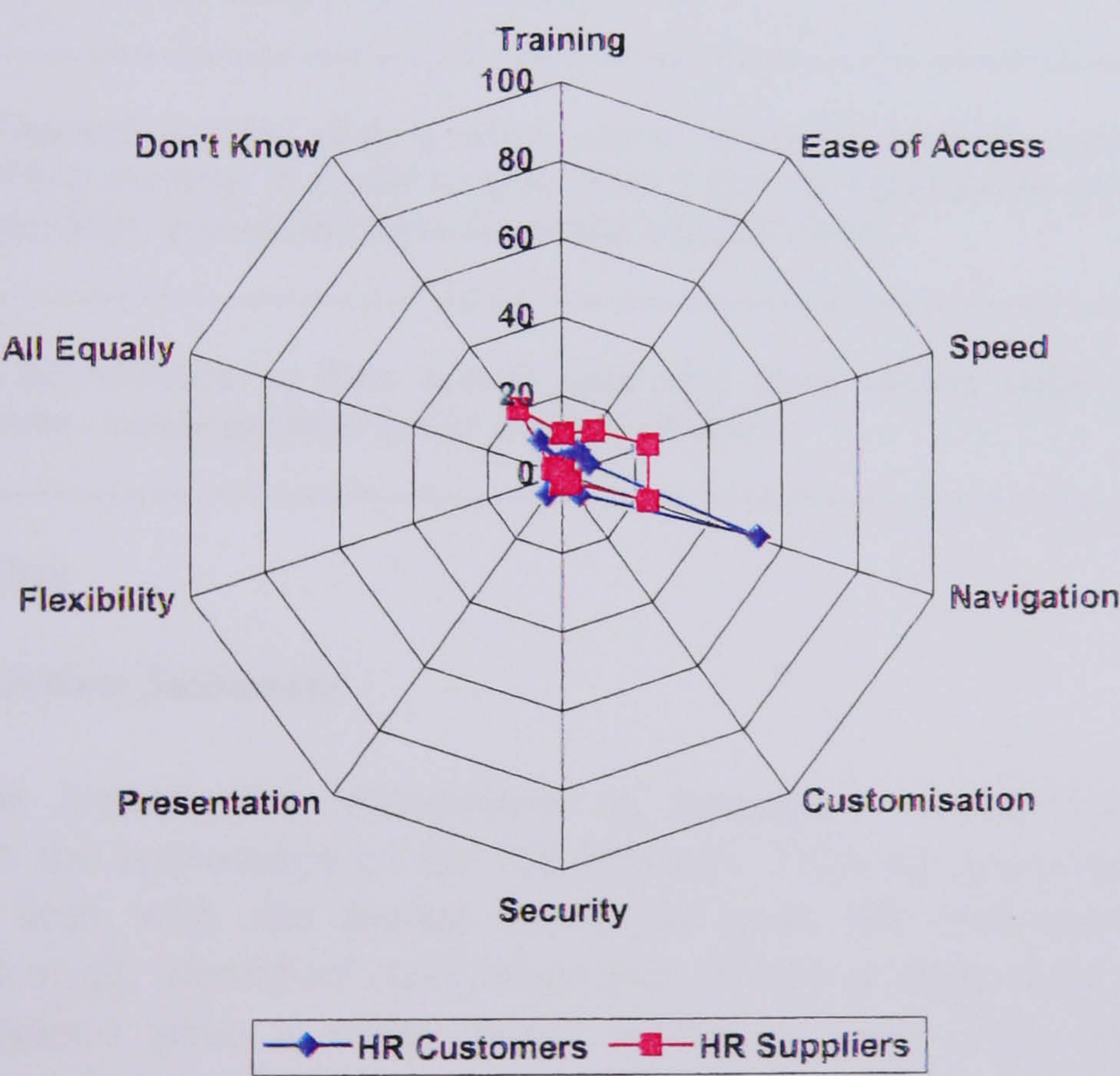


Training as has been previously noted is one of the main areas in the ICT success literature, but unfortunately, this scores lowest of all the categories for both HR and managers and highlights that HR in BT do not appeared to have thought through the implications of not providing customers with training on the questionable basis that the HR intranet is supposed to be intuitive. Since even the most highly rated items didn't quite reach the "satisfied" rating, the overall situation in this category appears to leave much room for improvement.

6.6.9.1 Most Important

The radar chart in Figure 6.6.9.2 shows the percentage of respondents who rated a particular factor as the most important out of the different categories being discussed under the "technology" umbrella. The chart illustrates the differences in perception between HR customers and suppliers. For customers, navigation/ease of use was clearly the most important factor within the technology category, whereas HR suppliers felt it was speed, in addition to navigation, or indicated that they didn't know which would be most important to managers.

Figure 6.6.9.2: Aspect of HR Intranet Technology Chosen as Most Important (%)



Source: Compiled by author

The ICT success literature has shown navigation/ease of use to be one of the most important factors (Adams et al.; Subramanian, 1994). However, it is interesting to note that when adoption phase was considered, ease of use was only found to be a determinant during early stages (Davis, et al., 1989) whilst it was also found to be of greater influence to inexperienced rather than experienced users (Thompson et al., 1991). Within BT with its HRIA adoption some five years ago and the sample



comprising experienced users, the findings of this research relating to the managers' most important selection appear to contradict previous studies, so that even for experienced users, navigation/ease of use is the primary factor by a significant amount in rating the satisfaction of an intranet site (also Table 6.6.9.1 for participant comments). It is recommended that because this was not the main focus of the study, that specific further research should be undertaken to identify if this finding can be replicated.

**Table 6.6.9.1:    Comments About Selection of Most Important Item From Technology Category**

<b>HR CUSTOMERS</b> <i>Navigation/ease of use - if I can't get round it, I can't do anything with it. Flexibility would come second, want to do something with the data. (HRC10; S45)</i>
<i>Toss up ease of use and ease of access. One thing is no use without the other. (HRC28; S48)</i>
<b>HR SUPPLIERS</b> <i>Training because being part of a training organisation we don't train our own people. (HRS1; S44)</i>
<i>Depends to some degree where you're at on the learning curve. While training, it would be ease of use. For the experienced user, flexibility is probably more important. (HRS17; S44)</i>
<i>Customisation, to have exactly what they want, adding value to them - would get them to use it. (HRS19; S45)</i>

Source: Interview Data

**6.6.9.2        Section Summary**

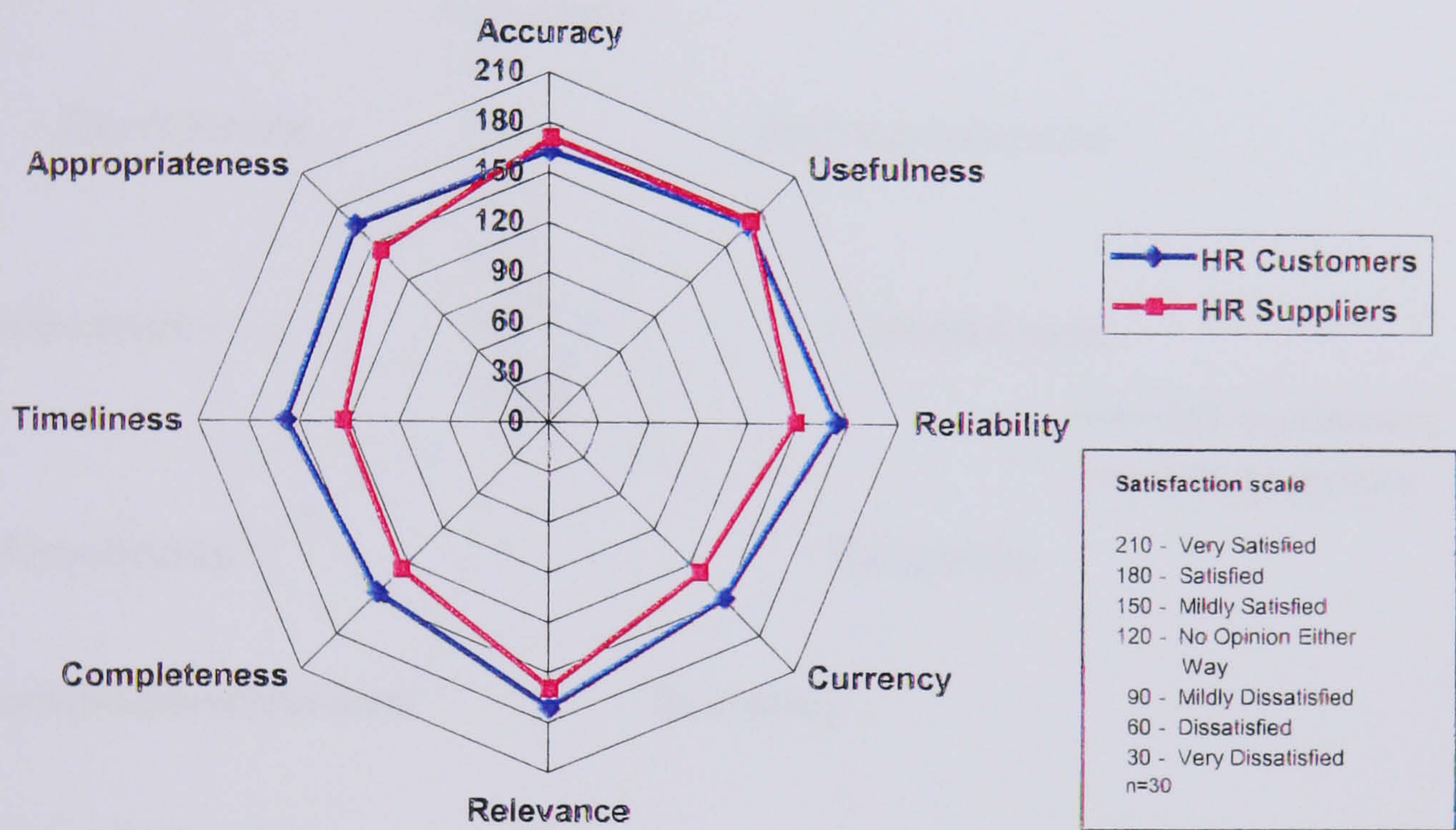
This section has investigated perceptions of managers' satisfaction with different aspects related to the technology of the HR intranet. Training appeared to be identified as the weakest item with the lowest score for both HR customers and suppliers. Managers also strongly identified navigation/ease of use as their most important factor, but the HR suppliers gave a wider range including some 20% who didn't know. Generally, HR suppliers scored managers as having a lower satisfaction rating than managers have indicated for themselves. In addition, comments explaining reasons for choice often highlighted a lack of communication and knowledge about the other party's activities or requirements. The comments given by participants also emphasised the risk of relying solely on statistics to interpret data. For instance, the comments and explanations given by managers and HR suppliers throughout the section often illustrated different perspectives as to what "satisfied" might mean. Thus, each individual's perceptions of a classification such as "satisfied" have been shown to be slightly different according to the individual and their personal expectations.



6.6.10 Customer Satisfaction with HRIA Information Content

This section addresses satisfaction with the quality of the information contained on the HR intranet. As Figure 6.6.10.1 illustrates a generally higher overall rating than the technology category has been given. HR customer and supplier ratings were fairly close, although HR suppliers still rated 6 out of 8 items lower than the managers. The highest score of 175, however, was still just short of a “satisfied” rating. Appendix S provides the individual item satisfaction scores and associated comments.

Figure 6.6.10.1: Overall Satisfaction Rating with Information Content



Source: Compiled by author

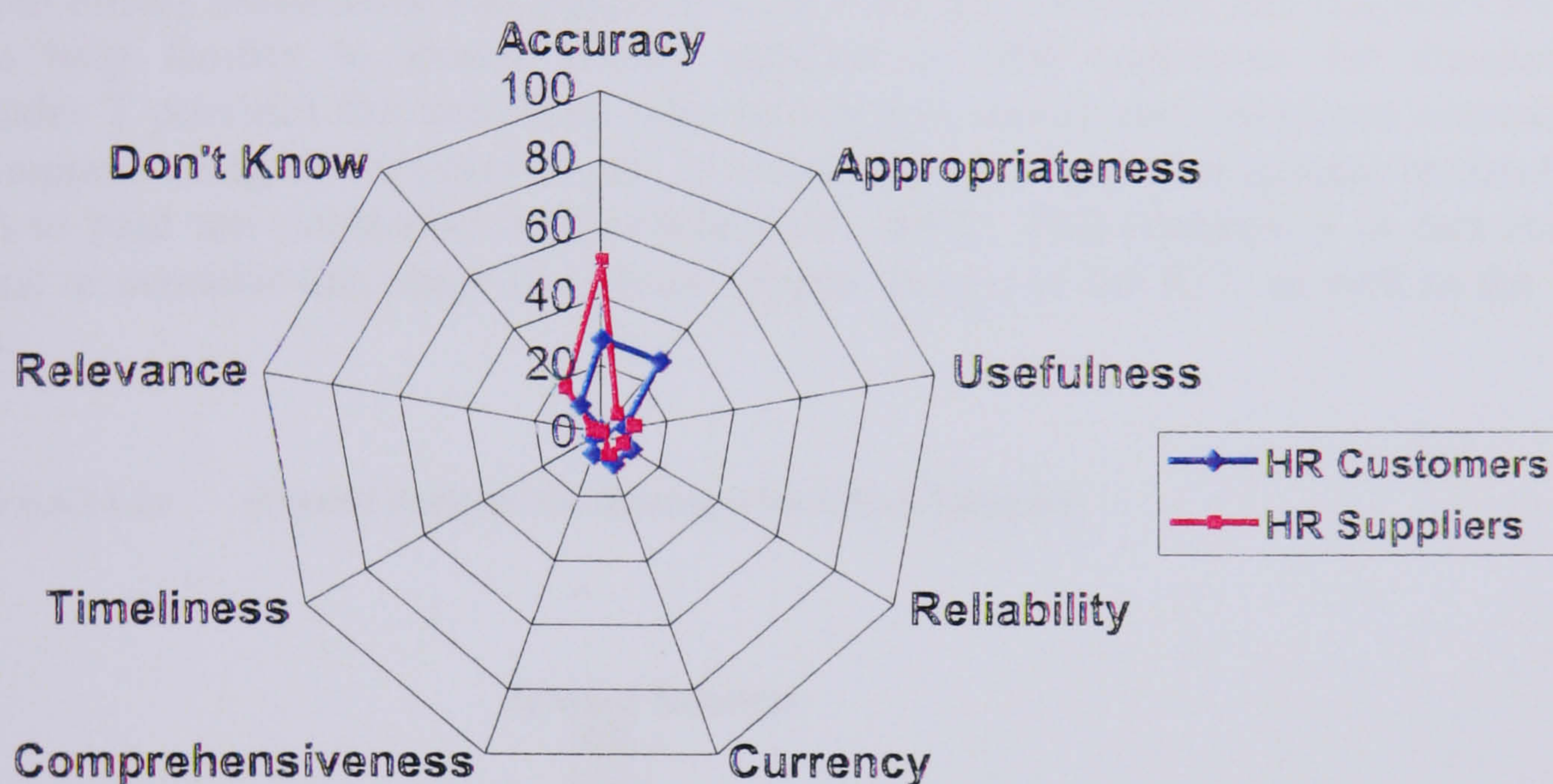
The overall scores are comparably higher than for the technology category, but there is still scope to enhance the satisfaction ratings in most areas. Information content or quality, as comprised of the different factors listed above, has always been considered an important antecedent of user satisfaction (DeLone and McLean, 1992; Wang, 1998). The proliferation of the seemingly limitless quantity of information available due to the Internet has meant that it has become an even more important consideration (O’Leary et al., 1999; Liu and Arnett, 2000) due to the lack of Internet standards (Threlkel and Kavan, 1999). However, as managers have identified with regard to the IQ of the HRIA, there is a general assumption that the information quality is satisfactory until you find out that the piece of information is inaccurate, out of date or unusable for example. This is consequently something that needs to be kept to the absolute minimum so that trust and confidence in the information provider is not compromised to a degree where the situation becomes untenable.



#### 6.6.10.1 Most Important

Figure 6.6.10.2 shows the factors selected as most important by HR customers and suppliers relating to information content. HR suppliers strongly felt that managers regarded accuracy as the most important category within the information content items, while the second largest percentage answered that they didn't know. Managers however, rated appropriateness for their needs as equally important (HR rated this only as equal fourth).

Figure 6.6.10.2: Aspect of HRIA Information Content Chosen as Most Important (%)



Source: Compiled by author

The ICT literature appears to concentrate very heavily on perceived usefulness as one of the primary considerations of both IQ and user satisfaction (Davis, 1989; Moore and Benbaset, 1996; Agarwal and Prasad, 1997). Managers felt that appropriateness for their needs was the major category of importance, and although usefulness did not appear to be of overriding significance for managers, one could argue that something could only be useful if it was appropriate for your specific needs. The inference of the managers' choice appears to be recognition, maybe a subconscious one in some managers, that information should be targeted or personalised in order to increase its appropriateness.

#### 6.6.10.2 Section Summary

The section on satisfaction with information content factors of the HR Intranet identified the elements of trust required by managers in the HR customer and supplier relationship. Overall, HR rated managers as being less satisfied in 6 out of 8 categories than managers rated themselves, although the gaps were quite small. The highest scores given for reliability and relevance by managers, and accuracy and usefulness by HR still fell just short of a "satisfied" scoring. While personal factors were also shown to influence satisfaction ratings, these ratings also appeared to be marked in the

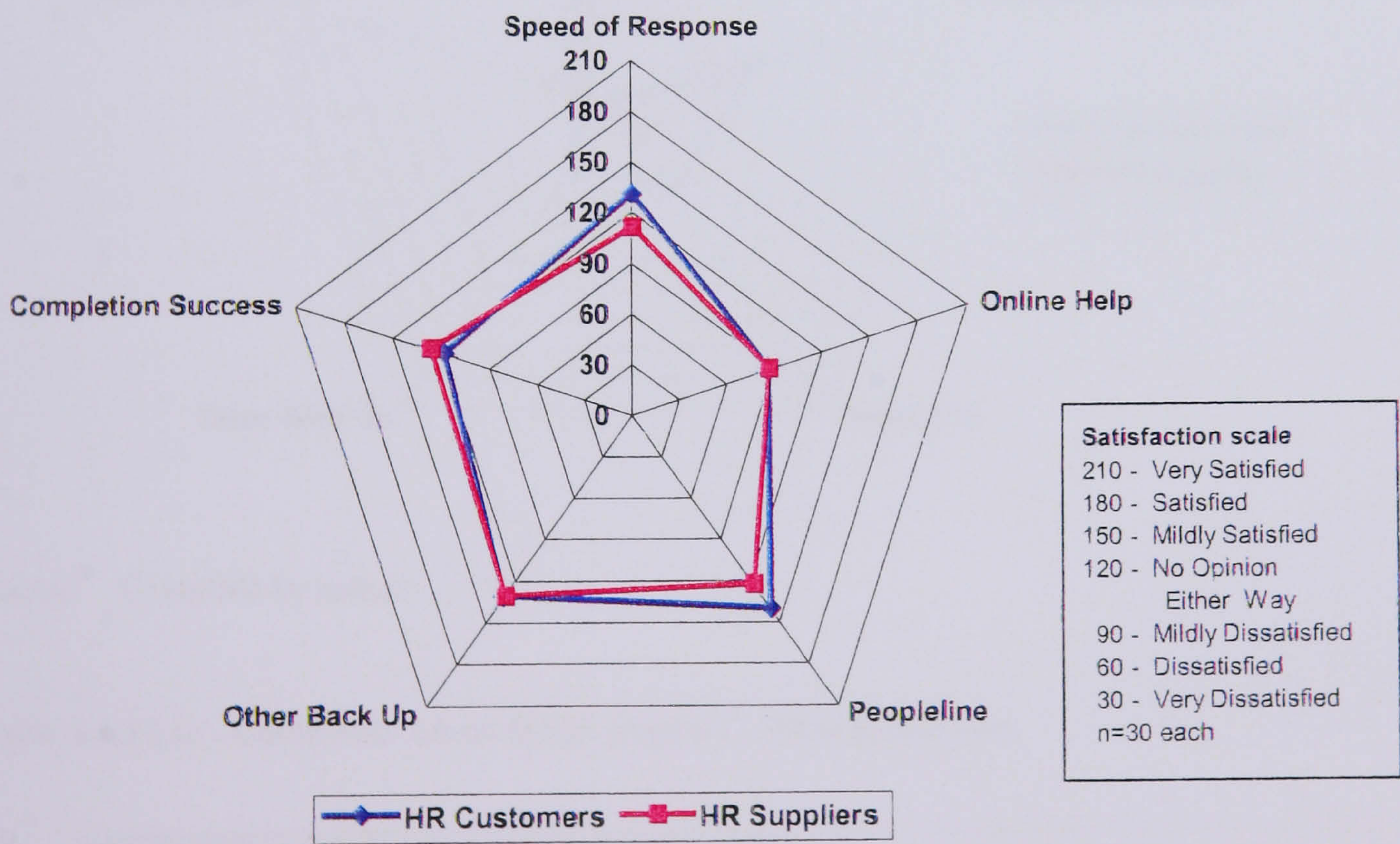


satisfactory scale unless their specific expectations had not been met or managers had experienced a particular component as being unsatisfactory such as recognising out of date information. Comments showed that perceptions and attitudes between HR customers and suppliers continued to be quite different, highlighting what appeared to be a general lack of effective interaction and understanding. Managers rated appropriateness for their needs as the most important category, followed by accuracy against HR's accuracy and the "don't know" category.

### 6.6.11 Customer Satisfaction with HRIA Support

The overall satisfaction rating with the HRIA support (Figure 6.6.11.1) ranged from between mildly dissatisfied and dissatisfied for both HR customers and suppliers for the online help facility to almost mildly satisfied by HR customers for Peopleline. Appendix T provides the individual item satisfaction scores and associated comments. This support category however is one in which there is limited empirical research on which to base any comparisons (Govindarajulu, 2002). This research is in fact one of the first to consider this range of intranet support factors in the ICT, as well as the HR, fields.

Figure 6.6.11.1: Overall Satisfaction Rating with HRIA Support



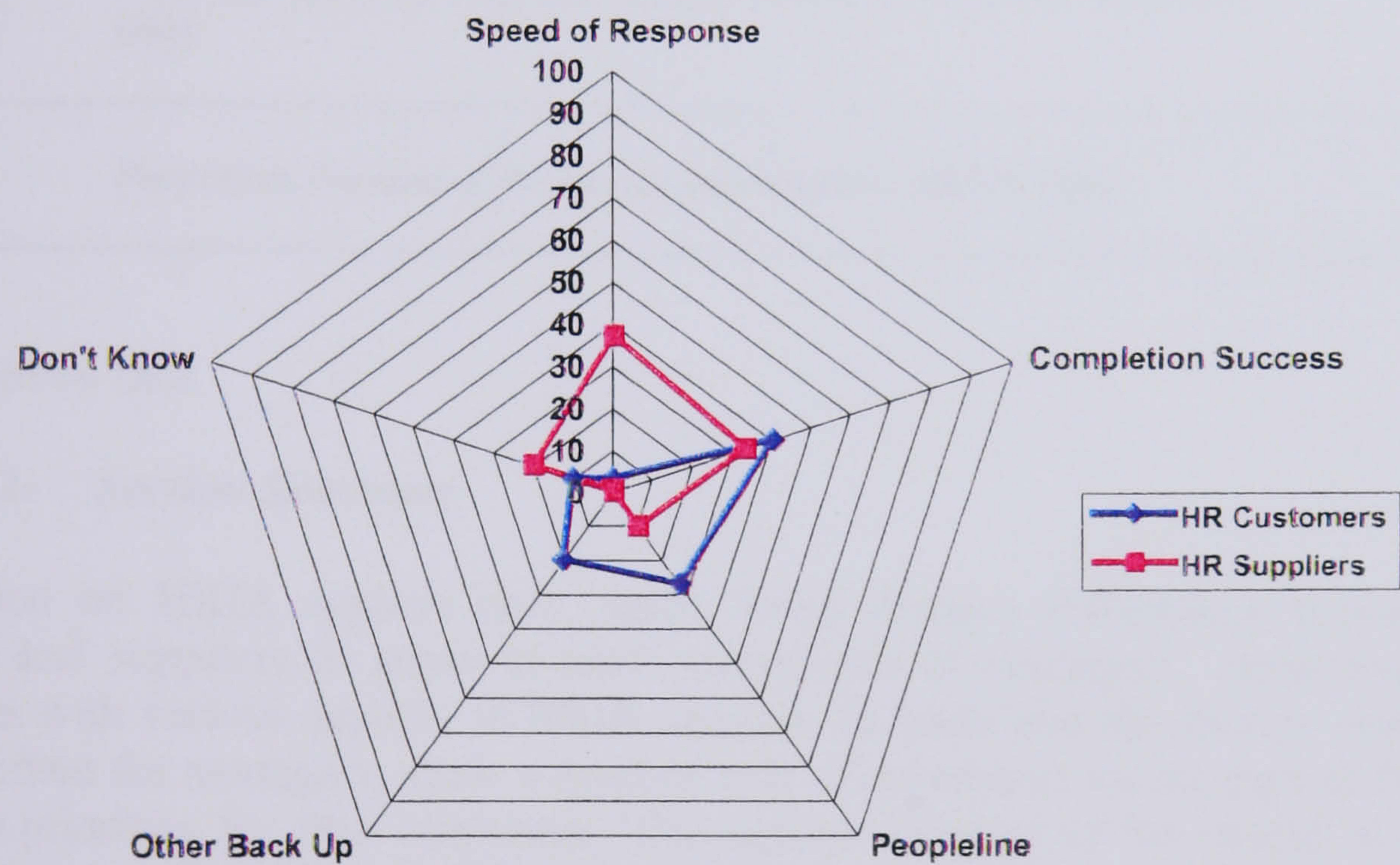
Source: Compiled by author



6.6.11.1 Most Important

While the most important factor for HR customers was identified as completion success, HR suppliers markedly differed with speed of response as their top choice for managers (but for the managers themselves, this was the lowest score). HR customers identified Peopleline as the second most important factor but again this factor was relatively much lower on the HR scale (Figure 6.6.11.2). Both customers and suppliers appeared to recognise that the human contact was a necessary adjunct to the use of technology for HR services (Table 6.6.11.1) but it is the balance between the two that is an important consideration (Korac-Boisvert and Kouzmin, 1994) for the overall HR strategy. The visual image of the graphical display potentially illustrates the extent of the differences of perception between the two groups and the implied lack of communication and interaction, which has developed to be a significant theme through the findings of this research.

Figure 6.6.11.2: Aspect of HRIA Support Chosen as Most Important (%)



Source: Compiled by author

Table 6.6.11.1: Comments About HRIA Support – Most Important

<b>HR CUSTOMERS</b>
<i>Completion success, because only then can I get on with what I hadn't been able to do, and I hope I haven't had to wait too long.</i>
(HRC8; S62)



<i>Peopleline, if you have a problem and only online help, painful. I want to talk to someone real and have them follow it through for you. (HRC25; S18)</i>
<i>Peopleline...Peopleline needs to be very good and I can use web technology to divert calls, shouldn't make service very poor so people go to Net and promote alternative web technology. If you want to change your telephone number, ring up they should do it and then tell you how to do it and all associated activities. Tell people about things and save calling up and being put through. Sell something on back of good service. Web, poor, ring up with complaint, it spirals downwards, perception of the HR service. (HRC1; S60)</i>
<i>Other backup assistance from HR Rep as it's what I rely on most. (HRC10; S65)</i>
<b>HR SUPPLIERS</b> <i>Probably speed of response, others should be a given. (HRS23; S64)</i>
<i>Peopleline, because of the human intervention. (HRS7; S64)</i>

Source: Interview Data

**6.6.11.2 Section Summary**

This section on HRIA support once again found distinct differences between HR customers and suppliers in terms of their perceptions of managers' expectations and satisfaction with various aspects of HRIA support. In particular the factors selected as most important for managers, show a marked lack of awareness on the part of HR as to what were priorities for their customers. The highest category of the overall scores for HRIA support was Peopleline by HR customers at almost "mildly satisfied".

**6.6.12 Category Linkage Analysis**

A number of different categories have been presented both qualitatively and quantitatively. This study was also exploratory and theory building and thus, part of the process was to experiment and analyse data to identify whether there were any additional emerging patterns from linking different categories together.

**6.6.12.1 Overall Expectation of, Satisfaction with and Impact of HRIA**

Of particular interest to this research was the possible connection between managers' expectations of the HRIA being met (from section 6.6.2), consequent perceived



satisfaction with the HR intranet (from section 6.6.3) and the perceived impact of the HR intranet on managers' satisfaction with the HR function (from section 6.6.4).

Tables 6.6.12.1 and 6.6.12.2 show the charts of the results for both HR customers and HR suppliers. For ease of analysis, Table 6.6.12.3 displays these results in a grouped format. This grouped format revealed that 60% of both customers and suppliers fell into an overall positive category, while 27% of customers and 10% of suppliers resided in the negative one. There were also a number of respondents who did not exactly fit these two groupings in each category, and their comments, which reveal their reasons, are identified later in this section.

The tables illustrate that with regard to managers' expectations and their satisfaction with the HRIA, there is strong support for disconfirmation of expectations from the marketing literature (Oliver, 1980; 1997). Where managers' expectations had not been achieved, the negative disconfirmation has generally resulted in HRIA dissatisfaction (Oliver, 1980; 1997). This research then makes another link to that of the connection of the initial expectation/HRIA satisfaction responses to the impact on the respondent's satisfaction with the HR function. Again, those responding positively generally felt that their satisfaction with the HR function had increased, while the inverse was also true.

Thus, this research has extended the usual bipartite expectation/satisfaction relationship between service provider and customer to a tripartite one with the ICT support tool used to provide parts of the service also assessed and used as a catalyst for measuring its impact on the user's satisfaction. This is the first time this has been done in the HR field as well as being one of the first studies to identify this connection in the internal marketing and ICT disciplines. The implication of this impact is an important one for both HR academics and practitioners in that the provision of an ICT tool is not enough in itself but must be part of a carefully considered HR strategy designed to effectively achieve a balanced HR service provision. This balance of media choice (Korac-Boisvert and Kouzmin, 1994) and optimisation of the ICT's capabilities should be matched to the achievement of both the organisation's strategic goals as well as each constituent's requirements for their individual role effectiveness. This highlights the criticality of HR truly becoming a customer-oriented function and the need for top HR leadership to attain the technology and business mastery identified as fundamental requirements for HR departments of the future (Ulrich, 2000).

As a next stage of the possible connections, Table 6.6.12.4 presents the total dissatisfaction scores for HR customers for HRIA technology, information content and support. This score was calculated by recording each individual's selection of mildly dissatisfied, dissatisfied and very dissatisfied, with a respective score of 1, 2 or 3 being allocated. This was then totalled and divided by the maximum dissatisfaction score (69) and multiplied by 100 to obtain the dissatisfaction percentage. Dissatisfaction, rather than satisfaction, was chosen since from the participants' comments this aspect appeared to more accurately reflect conscious perceptions. Satisfaction, on the other hand, sometimes appeared to be selected if the item had been given only limited consideration or it was chosen in the absence of any particular reason. The factors selected from the literature also appeared to be appropriate for this context since no



respondent identified any other attribute as important when assessing satisfaction with the HR intranet.

The dissatisfaction scores illustrate collectively the perceptions of HR’s performance in relation to these factors. The collective scores ranged from those participants who had no negative experiences to those who identified many points of dissatisfaction with various aspects of the HR intranet across each grouped category of technology, information content and HRIA support. The range of reasons for these selections which encompassed the nature of their expectations, the importance which they considered the HRIA as a support tool for their role effectiveness, the extent of their use of the intranet, personal factors such as each individual’s criteria for HRIA quality and how much notice they had taken of the HRIA during use. Further analysis regarding each participant’s Internet expertise and ICT background did not identify any links to high or low dissatisfaction scores.

Table 6.6.12.5 shows the results for the four categories in which customers were asked to identify whether they had had any impact on their satisfaction with the HR function – training, involvement in planning HRIA developments, feedback behaviour of HR and marketing of the HRIA. For each individual who identified that these had had a negative effect on his or her satisfaction with the HR function, one point was scored. With regard to the sum total of possible negative effect items, over 48% were indicated as decreasing satisfaction with the HR function.

These negative effect scores again highlight the differing combinations of individual criteria that appear to lead to a perceived impact, positive or negative, on respondents’ satisfaction with the HR function. Each response is unique particularly as the underlying reasons for choices are uncovered. The implied requirement for specific capabilities of Internet technology, such as customisation and micro-segmentation, to be effectively exploited is continually underlined. While technical or managerial level employees may carry out the processes of implementation, it is from those at the top level in HR, as well as the rest of the Board, that the vision, strategy and impetus for action must originate.

The full impact of the connections between these tabulations is illustrated in Table 6.6.12.6, which collates the customer information from Tables 6.6.12.1 with the scores from Tables 6.6.12.4 and 6.6.12.5. This provides a cross category analysis of the results obtained. While there were some individuals who did not fit the profile, it could be seen that this linkage generally illustrated that those who fell into the negative grouping, had the highest total dissatisfaction percentages and negative effect scores. Those in the positive group generally had low total dissatisfaction percentages with low negative effect scores. In addition, each grouping generally had the appropriate positive or negative expectation met/HRIA satisfaction combination to tally with the results of the other tables.

With the combination of qualitative and qualitative analysis it was possible to also identify reasons why those who did not fit the negative or positive profiles as described above, gave for their selection of ratings. Thus, if one considers the comments made by the managers who, in Table 6.6.12.1, had indicated that although their expectations had been met and they were satisfied with the HRIA (or had given a mixed response), they



felt that it had decreased their satisfaction with the HR function, it is now possible to see the reasoning behind this pattern of replies.

For these aforementioned customers whose remarks are shown in Table 6.6.12.7, the important factor was predominantly the “human” aspect of the relationship which they felt the HRIA had diminished, and hence, the negative impact of the HR intranet on their opinions of HR.

Consideration of Table 6.6.12.6 also reveals a few scores that do not appear to fit the predominant response patterns. Once more, by further investigation into the comments made by the manager, a clearer picture of the explanation for this situation is uncovered. For instance, one customer who had comparatively high dissatisfaction and negative impact scores still felt that the HRIA had increased their satisfaction with HR. The reason for this, contrary to the opinions of most other managers, appeared to be a preference for obtaining HR information through the computer rather than through any personal contact. Thus, the personal characteristics of each individual (Fondas and Stewart, 1990) serve to complicate accurate supplier perceptions of customers’ expectations, criteria for quality of any service provision and judgement on what had been delivered (Parasuraman et al., 1985).

This point also highlights the difficulties faced by suppliers because of the heterogeneity of customers’ possible expectations. Another manager who had high negative effect scores but felt that there had been no effect on satisfaction with the HR function, responded from the view of their perception of any changes in service quality. In addition, the manager also appeared to hold quite specific opinions about what had been done by HR and why with regards providing the intranet.

*With HR function, no effect. All that’s happened they’ve replaced paper processes with online. Replaced it for cost control for their own needs. In terms of service provided, no improvement. (HRC27; S71)*

*I would far rather look up on the intranet than ring someone. Personal preference. (HRC28; S46)*

Another manager with similar scoring profile, saw the situation slightly differently but not enough to identify any impact on their satisfaction at the moment.

*I think sometimes when you see what’s there, you’re left thinking there should be more, or I wish they would update it. Not really had any effect. (HRC27; S71)*

The manager who was located with the negative overall scores had a low negative effect mark however, of 1. The reason for this again was encapsulated in the comments given and the example below provides an insightful view of the HR/HRIA/manager relationship and some key issues.

*I suppose in some ways I’d have been more satisfied if I’d known someone to speak to. You get on the best you can. We have such busy lives – need to find a quick way and often don’t find answer to problems. Only if it made me less effective then I’d be jumping up and down. (HRC6; S74)*



Table 6.6.12.1: HR Customer Expectations, Satisfaction and HRIA Impact Linkage

Order Number	NVivo Number	Customer Expectations Met	Customer Satisfied with HRIA	Effect of HRIA on Satisfaction with HR	Profile Fit
1	25	Exceeded	Yes	Increased	P+
2	1	Met	Yes	Increased	P+
3	3	Met	Yes	Increased	P+
4	4	Met	Yes	Increased	P+
5	8	Met	Yes	Increased	P+
6	12	Met	Yes	Increased	P+
7	16	Met	Yes	Increased	P+
8	17	Met	Yes	Increased	P+
9	23	Met	Yes	Increased	P+
10	26	Mixed	Yes	Increased	P+
11	28	Mixed	Mixed -	Increased	NP
12	30	Mixed	Mixed -	Increased	NP
13	2	Met	Yes	No Effect	P+=
14	5	Met	Yes	No Effect	P+=
15	15	Met	Yes	No Effect	P+=
16	18	Met	Yes	No Effect	P+=
17	24	Met	Yes	No Effect	P+=
18	14	Met	Mixed +	No Effect	P+=
19	27	Not Achieved	Mixed +	No Effect	NP
20	7	Not Achieved	No	No Effect	P-=
21	10	Not Achieved	No	No Effect	P-=
22	29	Not Achieved	No	No Effect	P-=
23	9	Met	Yes	Decreased	NP
24	20	Met	Yes	Decreased	NP
25	22	Mixed	Yes	Decreased	NP
26	19	Mixed	Mixed +	Decreased	NP
27	21	Not Achieved	Yes	Decreased	NP
28	6	Not Achieved	No	Decreased	P-
29	11	Not Achieved	No	Decreased	P-
30	13	Not Achieved	No	Decreased	P-

Source: Compiled by author

Legend:

- P+ profile fit with positive responses
- P+= positive profile but satisfaction with HR remains same
- P- profile fit with negative responses
- P-= negative response profile but level of satisfaction or dissatisfaction with HR remains the same
- NP not fitting profile



Table 6.6.12.2: HR Perceptions of Customers’ Expectations, Satisfaction and Impact Linkage

Order Number	NVivo Number	Customer Expectations Met	Customer Satisfied with HRIA	Effect of HRIA on Satisfaction with HR	Profile Fit
1	16	Exceeded	Yes	Increased	P+
2	21	Exceeded	Yes	Increased	P+
3	6	Exceeded	Yes	Increased	P+
4	2	Met	Yes	Increased	P+
5	3	Met	Yes	Increased	P+
6	5	Met	Yes	Increased	P+
7	7	Met	Yes	Increased	P+
8	8	Met	Yes	Increased	P+
9	9	Met	Yes	Increased	P+
10	10	Met	Yes	Increased	P+
11	14	Met	Yes	Increased	P+
12	17	Met	Yes	Increased	P+
13	18	Met	Yes	Increased	P+
14	24	Met	Yes	Increased	P+
15	25	Met	Yes	Increased	P+
16	29	Mixed +	Yes	Increased	P+
17	11	Not Achieved	Yes	Increased	NP
18	20	Not Achieved	Yes	Increased	NP
19	1	Not Achieved	Yes	Increased	NP
20	15	Don’t Know	Yes	Increased	NP
21	28	Not Achieved	Mixed	Increased	NP
22	26	Not Achieved	No	Increased	NP
23	30	Not Achieved	No	Increased	NP
24	12	Met	Yes	No Effect	P+=
25	13	Mixed	Yes	No Effect	P+=
26	19	Don’t Know	Don’t Know	Mixed	NP
27	4	Not Achieved	Yes	Decreased	NP
28	22	Mixed -	Mixed -	Decreased	P-
29	23	Not Achieved	No	Decreased	P-
30	27	Not Achieved	No	Decreased	P-

Source: Compiled by author

- Legend:**  
P+    profile fit with positive responses  
P+=   positive profile but satisfaction with HR remains same  
P-    profile fit with negative responses  
P-=   negative response profile but level of satisfaction or dissatisfaction with HR remains the same  
NP    not fitting profile



Table 6.6.12.3: Expectations, Satisfaction and Impact of HRIA - Grouped Comparison

HR Customer %	HR Supplier %	Expectations Rating	Satisfaction with HRIA Rating	Impact of HRIA On HR Satisfaction	Profile Fit
60	60	Exc/Met/Mixed	Yes/Mixed+	Inc/No Effect	P+
3		Mixed	Mixed -	Increase	P-=
	10	Not Achieved	Yes	Increase	NP
	10	Not Achieved	No/Mixed	Increase	NP
	3	Don't Know	Don't Know	Mixed	NP
7	3	Met	Yes	Decreased	NP
3	3	Not Achieved	Yes	Decreased	NP
27	10	Not Achieved/Mixed	No/Mixed -	Dec/No Effect	P-
100	100				

Source: Compiled by author

- Legend:**
- P+** profile fit with positive responses
  - P+=** positive profile but satisfaction with HR remains same
  - P-** profile fit with negative responses
  - P-=** negative response profile but level of satisfaction or dissatisfaction with HR remains the same
  - NP** not fitting profile



Table 6. 6.12.4: HR Customer Dissatisfaction Score

Order Number	NVivo Number	(a) Technology Total (MD/D/VD) (1/2/3)	(b) Information Content Total (MD/D/VD) (1/2/3)	(c) Service Total (MD/D/VD) (1/2/3)	a+b+c  Total Dissatisfact'n Score (out of 69)*	Total Dissatisfaction Percentage (%)
1	4	0	0	0	0	0
2	23	0	0	0	0	0
3	17	1=1/0/0	0	0	1	2
4	22	1=0/1/0	0	0	1	2
5	24	0	1=1/0/0	0	1	2
6	25	0	1=1/0/0	0	1	2
7	15	1=1/0/0	1=1/0/0	0	2	3
8	20	1=1/0/0	1=1/0/0	0	2	3
9	26	1=1/0/0	0	1=1/0/0	2	3
10	5	3=3/0/0	0	0	3	4
11	8	3=3/0/0	1=1/0/0	0	4	6
12	12	1=0/1/0	1=0/1/0	0	4	6
13	14	3=3/0/0	0	1=1/0/0	4	6
14	2	2=1/1/0	0	1=0/1/0	5	7
15	13	2=2/0/0	2=2/0/0	1=1/0/0	5	7
16	18	1=0/2/0	0	1=0/0/1	5	7
17	3	4=1/3/0	0	0	7	10
18	9	3=1/0/2	0	1=1/0/0	8	12
19	16	1=0/1/0	0	2=0/0/2	8	12
20	19	2=1/1/1	2=2/0/0	0	8	12
21	30	4=3/1/0	2=2/0/0	2=2/0/0	9	13
22	1	2=0/2/0	0	3=0/3/0	10	15
23	7	6=3/1/2	1=1/0/0	1=1/0/0	13	19
24	10	4=1/3/0	3=2/1/0	1=0/1/0	13	19
25	6	6=4/1/1	1=1/0/0	3=2/0/1	15	22
26	21	5=5/0/0	3=0/3/0	4=3/1/0	16	23
27	27	4=0/4/0	3=0/3/0	2=0/2/0	18	26
28	11	5=0/5/0	0	5=1/4/0	19	28
29	28	5=1/3/1	5=2/2/1	2=1/1/0	22	32
30	29	6=2/3/1	5=0/5/0	2=0/2/0	25	36

Source: Compiled by author

\* 23 total categories x 3 (maximum possible points for each category)

Legend

- MD Mildly dissatisfied = 1 point
- D Dissatisfied = 2 points
- VD Very dissatisfied = 3points



Table 6.6.12.5: Negative Effect on HR Satisfaction Score

Order Number	NVivo Number	* (a) Training- Negative Effect on Satisfaction	(b) Involvement - Negative Effect on Satisfaction	(c) Feedback – Negative Effect on Satisfaction	(d) Marketing – Negative Effect on Satisfaction	a+b+c+d  Negative Effect Score
1	12	No	No	No	No	0
2	14	No	No	No	No	0
3	15	No	No	No	No	0
4	24	No	No	No	No	0
5	2	Yes	No	No	No	1
6	3	Yes	No	No	No	1
7	4	No	No	Yes	No	1
8	6	Yes	No	No	No	1
9	8	Yes	No	No	No	1
10	16	Yes	No	No	No	1
11	17	No	No	Yes	No	1
12	18	No	No	No	Yes	1
13	23	No	Yes	No	No	1
14	25	No	No	No	Yes	1
15	26	No	No	No	Yes	1
16	1	No	No	Yes	Yes	2
17	5	No	No	Yes	Yes	2
18	20	No	Yes	No	Yes	2
19	7	Yes	No	Yes	Yes	3
20	10	Yes	Yes	No	Yes	3
21	13	No	Yes	Yes	Yes	3
22	19	Yes	No	Yes	Yes	3
23	21	Yes	No	Yes	Yes	3
24	27	No	Yes	Yes	Yes	3
25	29	Yes	No	Yes	Yes	3
26	9	Yes	Yes	Yes	Yes	4
27	11	Yes	Yes	Yes	Yes	4
28	22	Yes	Yes	Yes	Yes	4
29	28	Yes	Yes	Yes	Yes	4
30	30	Yes	Yes	Yes	Yes	4

Source: Compiled by author

\* Respondent indication of whether aspect has had negative effect on their satisfaction with HR function.

Legend

Yes = 1 point

Score of 0 points = no HRIA activity affected satisfaction with HR; 4 points = all HRIA aspects negatively affected satisfaction with HR function.



Table 6.7.12.6: HR Customer Responses – Cross Category Analysis

er	NVivo Number	Customer Expectations Met	Customer Satisfied with HRIA	Most Important Effect of HRIA on Satisfaction with HR	Total Dissatisfaction Percentage	Negative Effect Score
		From Table 6.7.12.1			From Table 6.7.12.4	From Table 6.7.12.5
1	4	Met	Yes	Increased	0	1
2	23	Met	Yes	Increased	0	1
3	25	Exceeded	Yes	Increased	2	1
4	17	Met	Yes	Increased	2	1
5	26	Mixed	Yes	Increased	3	1
6	12	Met	Yes	Increased	6	0
7	8	Met	Yes	Increased	6	1
8	3	Met	Yes	Increased	10	1
9	16	Met	Yes	Increased	12	1
10	1	Met	Yes	Increased	15	2
11	30	Mixed	Mixed -	Increased	13	4
12	28	Mixed	Mixed -	Increased	32	4
13	24	Met	Yes	No Effect	2	0
14	15	Met	Yes	No Effect	3	0
15	5	Met	Yes	No Effect	4	2
16	14	Met	Mixed +	No Effect	6	0
17	2	Met	Yes	No Effect	7	1
18	18	Met	Yes	No Effect	7	1
19	7	Not Achieved	No	No Effect	19	3
20	10	Not Achieved	No	No Effect	19	3
21	27	Not Achieved	Mixed +	No Effect	26	3
22	29	Not Achieved	No	No Effect	36	3
23	20	Met	Yes	Decreased	3	2
24	22	Mixed	Yes	Decreased	2	4
25	13	Not Achieved	No	Decreased	7	3
26	19	Mixed	Mixed +	Decreased	12	3
27	9	Met	Yes	Decreased	12	4
28	6	Not Achieved	No	Decreased	22	1
29	21	Not Achieved	Yes	Decreased	23	3
30	11	Not Achieved	No	Decreased	28	4

Grouped Category Percentages and Averages for HRIA Effect Ratings

	Increased *(12)	No Effect *(10)	Decreased *(8)
1. Expectations/Satisfaction			
Positive (exceeded/met)	79%	55%	37%
Mixed	21%	10%	19%
Negative	0	35%	44%
2. Total Dissatisfaction %	8.42	12.9	13.63
3. Negative Effect Score	1.5	1.6	3

1. Percentage of items rated as positive/mixed/negative
2. Percentages added and divided by number of customers \*( )
3. Scores added and divided by number of customers in section \*( )

Source: Compiled by author



Table 6.6.12.7: Comments Reflecting Responses to HRIA Impact Question

<b>HR CUSTOMERS</b>
<i>I suppose honest answer is that it's decreased it – talking to someone is easier and more reassuring than working on the Internet. (HRC9; S75)</i>
<i>I would say it's decreased it because I expect more from face-to-face relationship. (HRC20; S75)</i>
<i>Intranet useful with absence of people, but overall with HR it's decreased satisfaction in context of less people around to answer of less people around to answer questions. (HRC22; S74)</i>
<i>I think probably decreased. Before I could ring people up – they seem so remote from us now, not an integral part of the business. (HRC19; S76)</i>

Source: Interview Data

These linkages highlight the need for consistency and appropriate integration of all aspects of HR service output since these scores were based on a wide range of factors predominantly concerned with the HRIA but also including other means such as direct interactions either face-to-face or through some other medium. Perceptions were also very different between individuals and between roles and divisions. Thus, the HR leadership cannot avoid the need for the conscious consideration and analysis of all possible service methods in its strategic plans to optimise the potential organisational and individual benefits.

The evidence also shows that the complexity and range of expectations from HR's many constituents similarly requires a sophisticated expectations management program (Davidow and Uttal, 1989; Berry and Parasuraman, 1991). Specific focus on using a range of "marketing" communication methods (Spreng et al., 1996; Brooks et al., 1999) such as training and involvement in planning HRIA developments is needed to assist in the sharing of expectations and as a result bringing the expectations of all parties to a realistic level. Only in this way, by the utilisation of proficient two-way communication will some of the negative consequences of role ambiguity (Greenbaum, 1974; Schuler, 1979), dissatisfaction and withdrawal (Kahn et al., 1964), erroneous assumptions, negative and unwanted publicity on the informal grapevine (Crampton et al., 1998) and perceptions of ineffectiveness (Gilbert, 2000) be minimised.

6.6.13 Supplementary Findings VII

Appendix U provides a selection of participants' suggestions for improving customer satisfaction with the HRIA. The main importance for each respondent appeared to be his or her individual role requirement and personal expectation and knowledge of what an



HR intranet ought to be able to do. The factor, which both explicitly and implicitly appears to of prime consideration, is that of effective communication (Barney and Wright, 1998). This includes the interactions between HR suppliers and managers, receipt of appropriate and required information and the need for greater personalisation.

The centrality of improved communication also impacts the necessity for a strong and informed HR leadership to develop suitable strategies to achieve these communication improvements both through the application of ICT as well as the optimisation of the use of those who work in HR. In addition, targeted communication impacts the management of individual expectations as a means of both reducing the development of unrealistic HR/HRIA requirements and to increase the alignment between the two groups of their understanding of each other's role and situation with regard to the use of, and satisfaction with, the HRIA.

#### **6.6.14 Impact of Selected Personal Factors on HR Function Satisfaction**

This section presents other factors which respondents were asked about during their interviews. In the pilot study, these aspects, because of the small sample, did not appear to have any influence on the findings at that stage of the research. They were also not the major focus of this study, but might provide interesting perspectives on possible directions for future research because of the results presented here. The focal point of this research was the impact of the use of HR Internet applications on managers' satisfaction with the HR function. Therefore, the analysis using the different variables concentrates on the participants' replies to this issue.

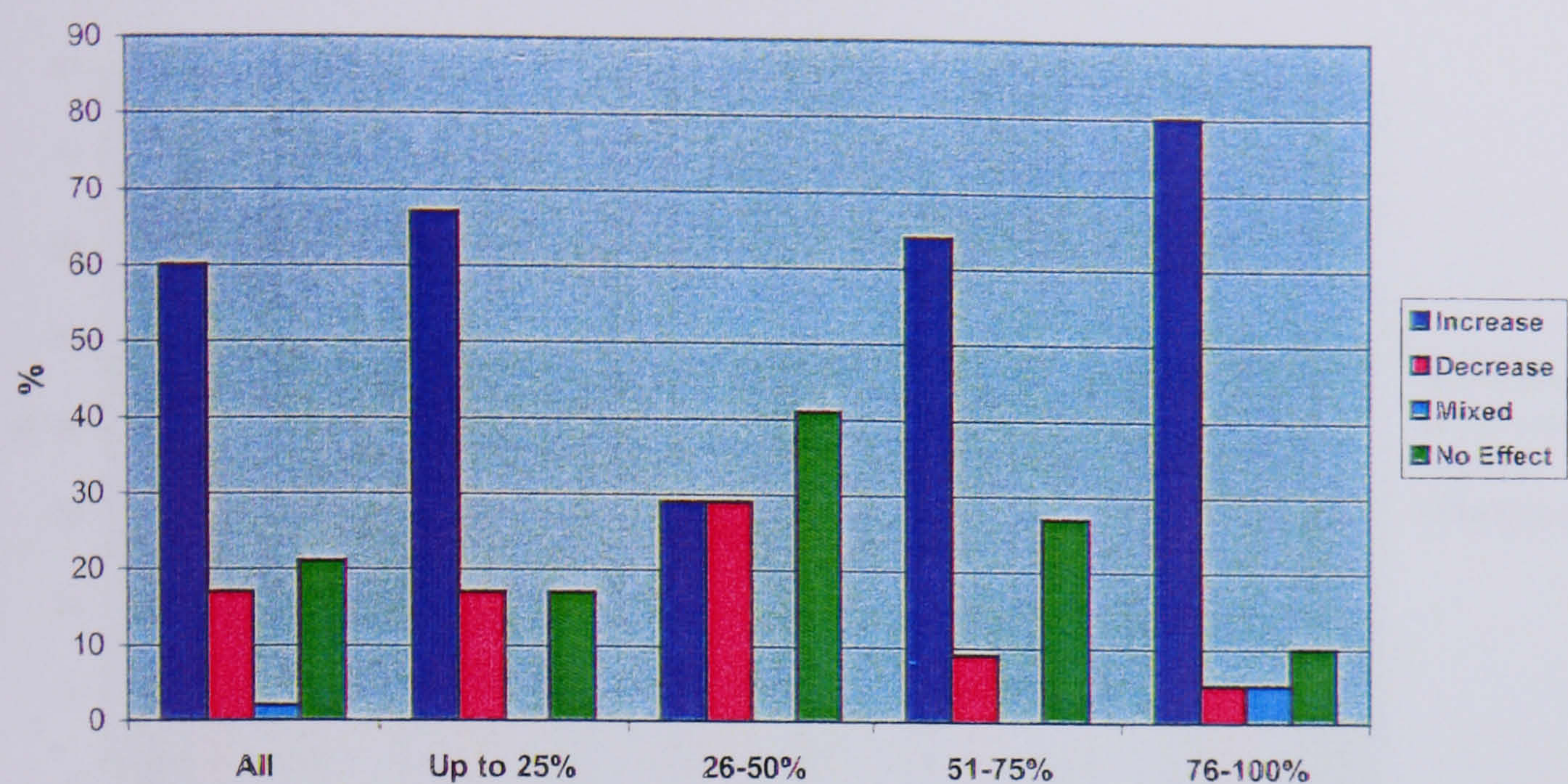
##### **6.6.14.1 *Role Discretion***

Participants were questioned on their perceived ratio of discretion and prescription within their current role. The responses given were very wide ranging from 100:0 (discretion:prescription) to 10:90. Responses were collated into four groups (0-25%; 26-50%; 51-75% and 76-100%). Figure 6.6.14.1 illustrates the differences in responses by discretion category against the whole sample.

Role discretion has been identified as a top-level attribute (Kakabadse and Kakabadse, 2000) but within BT there appeared to be perceptions of considerable discretion in managers' roles (with several indicating over 90%) and which may be a contextual situation (Griffin et al., 2001) that other research may not find. In addition, with the response to general questions about the HRIA there appeared to be no patterns between those different levels of role discretion. Similarly, there appeared to be no distinct connections in relation to role discretion, role ambiguity, the HRIA and issues about lack of communication and expectation management. Further research however, that particularly focuses on role discretion in relation to the topic of this study may in fact find some connections that have not been uncovered in this context or with the personal attributes of the current incumbents (Fondas and Stewart, 1990).



Figure 6.6.14.1: Role Discretion and the Impact of the Use of HRIA on Managers' Satisfaction with the HR Function



Source: Compiled by author

The chart shows that in relation to the impact of the HRIA on managers' satisfaction with the HR function, those with higher perceptions of the amount of role discretion they attributed to their role, appeared to feel that using the HR intranet increased their satisfaction with HR to a greater extent than lower categories. Respondents with 26-50% perceived role discretion, were far less likely to feel it increased their satisfaction with HR, but rather that comparatively, it had a stronger effect in decreasing it or not having any effect. No clear patterns however can be distinguished from these findings, but they may be used for comparison with further research studies.

6.6.14.2 Tenure

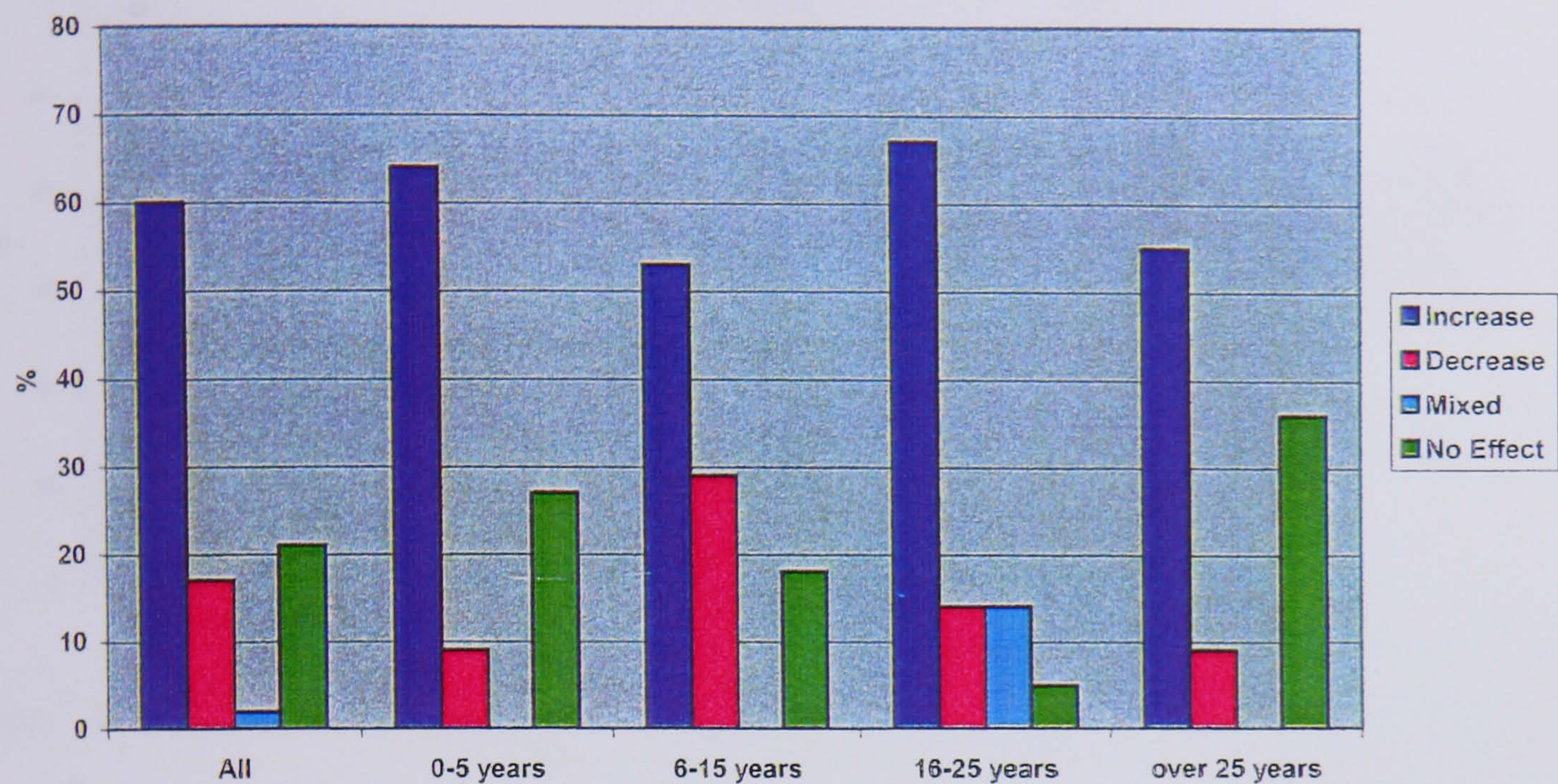
The tenure of those managers in BT appeared comparatively high to perceptions of tenure achieved by external companies. Thus, 18% had over 25 years service, and 35% had served between 16 and 25 years. Figure 6.6.14.2 illustrates the responses to the impact of the HR intranet question by grouped tenure.

The participants with tenure exceeding 25 years, had a comparatively higher response that the HRIA would have no effect on their satisfaction with the HR function, although this was out of kilter to the pattern which seemed to be appearing so that the 'no effect' category reduced at each different tenure stage. There was also no clear pattern that emerged for tenure to influence selection of either increase or decrease of managers' satisfaction by using the HRIA.

Tenure also did not uncover any recognisable patterns with regard to other questions about the HRIA. Once more this may be a contextual factor (Griffin et al., 2001), which in alternative research contexts could expose a distinct pattern in the responses given.



Figure 6.6.14.2: Tenure and the Impact of the Use of HRIA on Managers' Satisfaction with the HR Function



Source: Compiled by author

6.6.14.3 Age

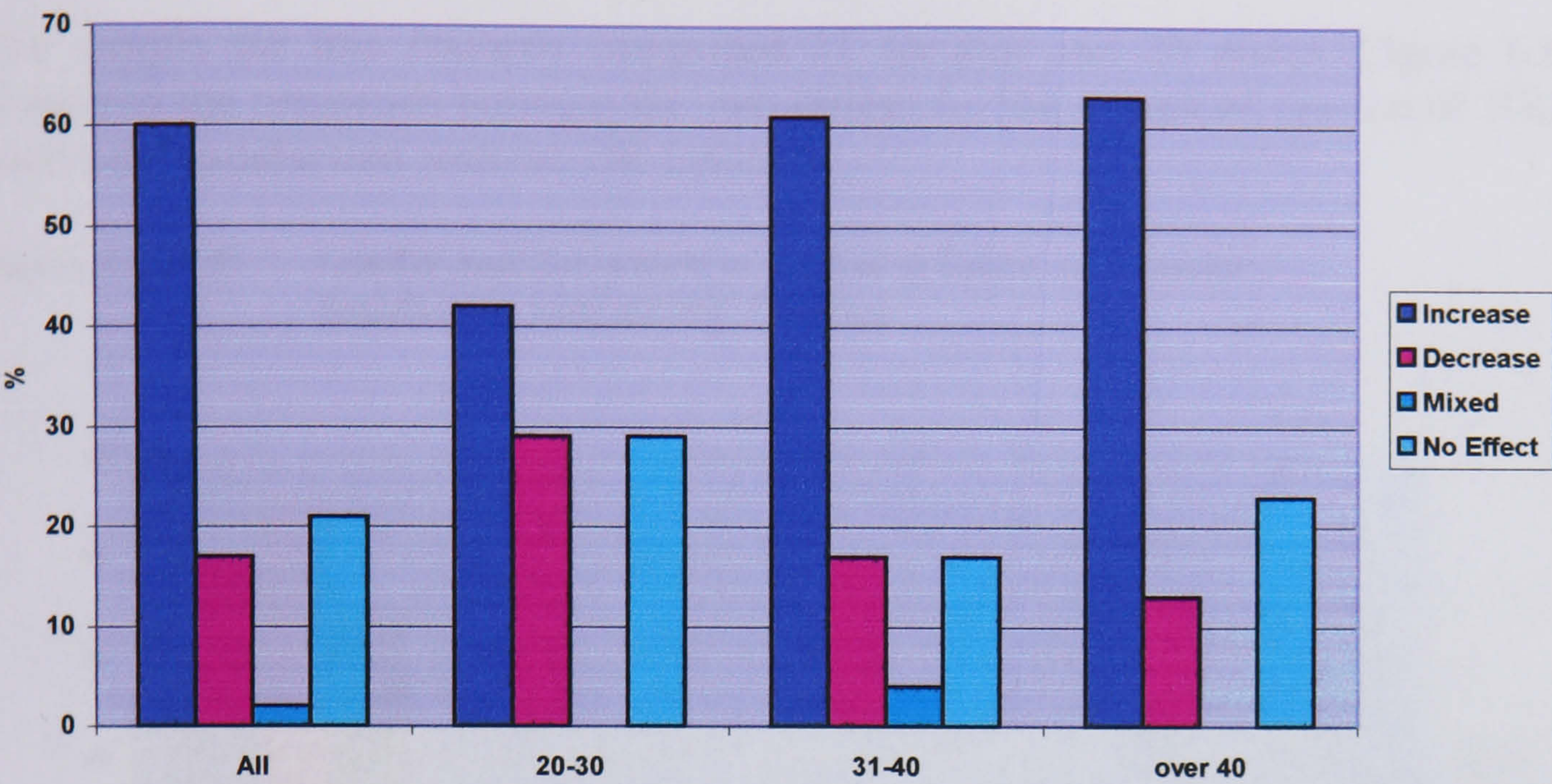
Given the average length of tenure of most of the participants, the highest age was somewhat lower than expected. Thus, although 50% of the sample was over 40, the eldest was 53. Given the length of tenure this links with the finding that a high percentage (50%) had only ever worked in BT and many had started with the company at around the age of sixteen. Figure 6.6.14.3 illustrates the comparison with all participants with that of the HR customers and suppliers segmented by age.

The chart appeared to show that as the age of the respondent increased so too did the positive impact that use of the HRIA could have on satisfaction with the HR function. In addition, as age increased so too did the negative impact reduce. This appeared to contradict traditional perceptions that a higher age also meant a declining acceptance of new technology. The managers at BT however, although they fell into the oldest age-band were still in their prime compared to the average life span.

The trend also might illustrate the different expectations each age band might hold. Thus, those under 30 would have grown up with fast changing technology as the norm and thus would perhaps be more demanding in terms of results, while those who had experienced manual and more basic computer systems in the work environment might have different perceptions of today's circumstances. This implies that for those leading HR, expectations and satisfaction with the HRIA might be more difficult to achieve as, over time, younger, more computer aware and consequently demanding individuals with regard to the use of Internet and other innovative technologies, are recruited to BT.



Figure 6.6.14.3: Age and the Impact of the Use of HRIA on Managers' Satisfaction with the HR Function

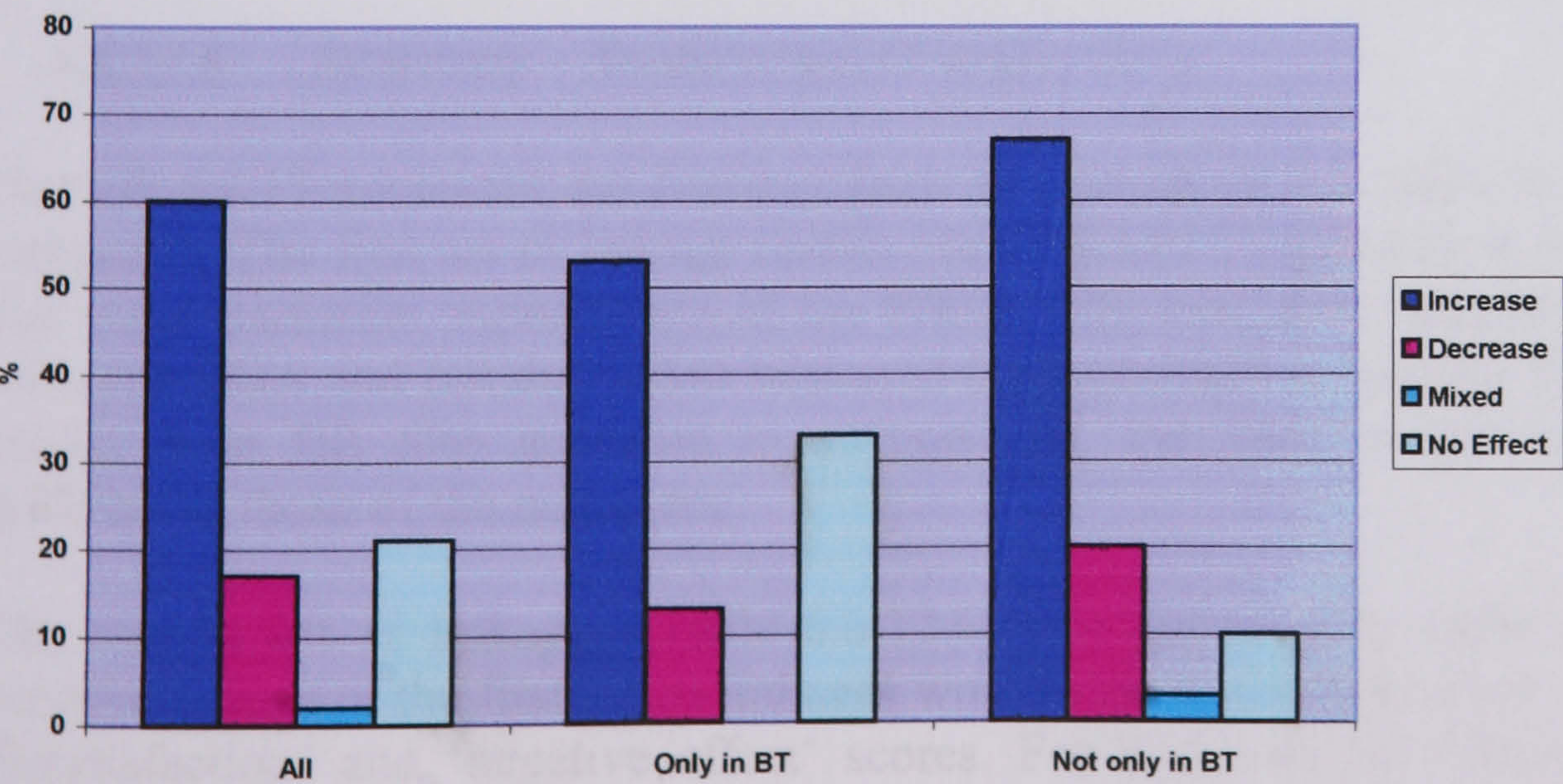


Source: Compiled by author

6.6.14.4 Work Location

BT, in addition to a high length of tenure, appeared also somewhat unique in the fact that 50% of respondents had only ever worked for this one company. There did not however, appear to be any patterns relating to other questions about the HRIA. Figure 6.6.14.4 shows that for those who had only ever worked in BT, there was a slightly lower incidence of the HRIA having increased or decreased satisfaction with HR against the full sample and those who had worked elsewhere. There was though a higher incidence of no effect reported against the other two comparators. With only this one sample to work with, it was too early to state any clear pattern formation, but this finding could be used for comparison against future research studies.

Figure 6.6.14.4: Work Location and the Impact of the Use of HRIA on Managers' Satisfaction with the HR Function



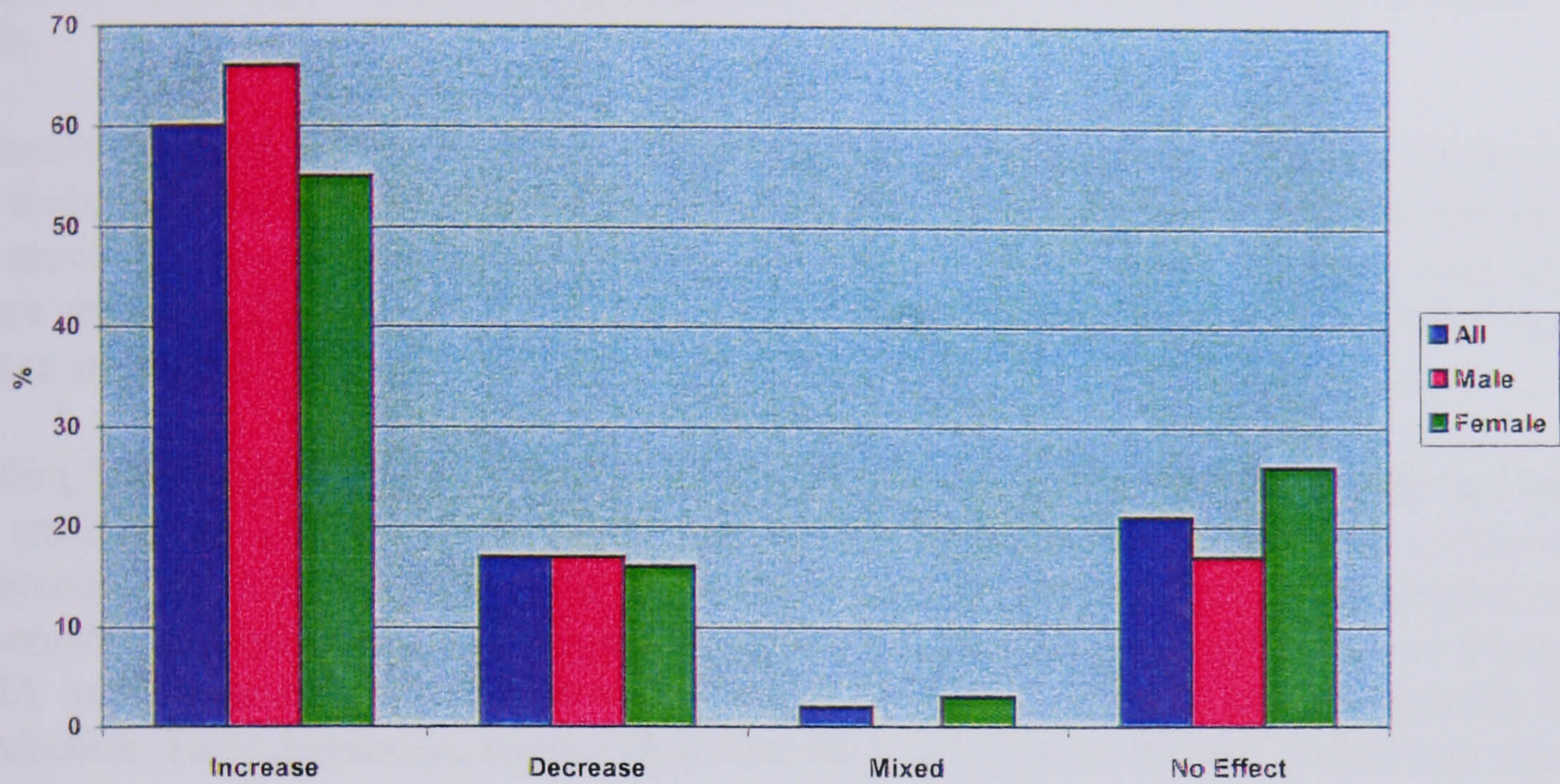
Source: Compiled by author



6.6.14.5 Gender

The sample for this research comprised 31 females and 29 males. Figure 6.6.14.5 compared the responses between the two groups on the impact of the use of HRIA on managers' satisfaction with the HR function.

Figure 6.6.14.5: Gender and the Impact of the Use of HRIA on Managers' Satisfaction with the HR Function



Source: Compiled by author

The chart showed only marginal differences between males and females, although females were slightly less likely to choose increase and more likely to select mixed or no effect. There was not enough of a distinction between the two groups for any pattern to emerge for this sample taken from this specific context, but again this information could be used to compare against findings carried out in later research studies.

6.6.14.6 Summary – Sections 6.6.12 and 6.12.14

Section 6.6.12 presented the findings from an attempt to link patterns across different categories. The first set of linkage results (Table 6.6.12.1) appeared to support the trend that when customer expectations of the HRIA were met, then managers were satisfied with the HRIA and felt that it had increased their satisfaction with the HR function. The results from HR also appeared to support this, but their overall perceptions were different to those of the managers.

The second set of linkages (Table 6.6.12.6) also appeared to support the trend that positive ratings in the first set of linkages would also be likely to score low on the 'total dissatisfaction' and 'negative effect' scores. For both sets of linkages, the opposite situation also appeared to be supported. Thus, if expectations weren't met, then managers would not be satisfied with the HRIA and they would feel it decreased their



satisfaction with HR. It was also more likely that the “total dissatisfaction” and “negative effect” scores would be higher.

A number of implications of these findings were noted. Thus, the impact on perceptions of the effectiveness of, and satisfaction with, the HR function encompassed many associated issues concerning the HRIA such as expectations, role requirements, personal factors, experience and context. In addition, the importance of the need for effective leadership within the HR function to provide the vision, strategy and appropriate action for consistent HRIA service quality exposed the need for proactive communication and expectation management programs to help to achieve these SQ goals.

Where individuals did not fit the identified pattern, their comments provided the reasons and included specific preferences for either human or computer interaction for receipt of HR services, assumptions about purpose of HRIA and the consideration that only when issues about the HRIA started to reduce the managers’ effectiveness in their role would it have an impact.

Section 6.6.14 investigated aspects for which the sample size of the pilot study had been too small to be able to identify any patterns. Of these, while there were substantial differences between the factor bandings, only the age factor appeared to display any discernable pattern. Thus, an increase in age seemed to indicate a higher rate of positive HRIA impact on HR satisfaction and a lower incidence of the HRIA decreasing HR satisfaction. Role discretion, tenure, work location and gender did not reveal any trends in responses in this study.

## **6.7 CHAPTER SUMMARY**

The chapter has presented the single case for the main study within BT and e-peopleserve. The case material has been analysed both qualitatively as well as quantitatively, through content analysis, in order to provide a deeper understanding and view different perspectives of the perceptions of the key actors within the study. The presentation of appropriate examples of respondents’ comments provides a mechanism for data triangulation (Gill and Johnson, 1997: 161). These responses support, contradict and explain quantitative frequencies so as to gain a more accurate understanding of the phenomena being investigated (Hayes, 2000).

Each section has highlighted the relevant theoretical connections as well as identified the initial implications for each specific finding. This has exposed a number of key themes, issues and connections, which will be further discussed in the next chapter. It is important to note however, that this situation is found within the specific BT context of this single case, yet in an alternative context the uncovered themes may not be of such prominent consideration. This highlights the importance of allowing an unbiased exploration of the data to uncover the “reality” as it appears to exist within BT and which this study’s conceptual framework tried to reflect.



In another case example, the quality of the communication maybe excellent and there may appear to be no evidence of underlying dissatisfaction to qualify positive responses. There may however, be other more pressing factors that may take precedence, and the literature may need to be slightly refocused to add more relevant existing theory to account for this. These could include for example, resistance to change; too much organisational control and role prescription; or a predominantly computer illiterate management. These then might become the important factors for exploring the impact of the use of HRIA on managers' satisfaction with the HR function and result in very different individual and cross-category scores.

To arrive at the complete analysis and synthesise themes from these findings, this chapter and its associated appendices, contains a large amount of material to digest. To facilitate this process, Table 6.7.1 presents a summary of the main points relating to the key findings of each section.

**Table 6.7.1      Summary of Main Study Key Findings**

Area of Enquiry	Key Findings	Chapter Sections
1. PERCEPTIONS OF HR	<ul style="list-style-type: none"><li>• BT context appears to influence participants' perceptions of HR</li><li>• Widely disparate perceptions of HR between the individuals and designated groups</li><li>• Perceived lack of consistency of HR service quality (SQ) by managers</li><li>• SQ appears based on attitude and ability of individual HR contact</li><li>• Perceived lack of communication and information about HR</li></ul>	Appendix O
2. THE ROLE OF MANAGERS	<ul style="list-style-type: none"><li>• Managers change roles frequently in BT</li><li>• Managers' roles have expanded over last few years and expectations of them increased</li><li>• The handling of devolution has caused role ambiguity for some managers</li><li>• Managers generally need much more support and training from HR</li><li>• Managers' perceptions differ - some are satisfied with HR support, majority are not</li><li>• Managers' views based on past experiences with HR</li><li>• Perceptions of poor HR experiences has led to some managers reducing expectations</li><li>• Issue of HR inconsistency and SQ based on individual performance</li><li>• Expectations misalignment identified</li><li>• Managers' use of HR mainly admin/training</li></ul>	6.3; 6.3.1; 6.3.2; 6.3.3; 6.3.4



Area of Enquiry	Key Findings	Chapter Sections
3. THE ROLE OF HR	<ul style="list-style-type: none"> <li>• Differing perceptions of HR's role - between managers and HR; and within HR</li> <li>• One HR group see role as strategic</li> <li>• Managers and other HR group see role with admin/management support as high value</li> <li>• HR perceived to be customer focused only on an individual basis</li> <li>• Issues concerning HR's business awareness and focus on those in high level positions</li> </ul>	6.4; 6.4.1; 6.4.2
4. HR/MANAGER RELATIONSHIP	<ul style="list-style-type: none"> <li>• Issue of communication between HR and managers - lack of proactivity on both sides</li> <li>• Discrepancy between figures on discussing managers' needs (HR - 86% versus managers - 30%)</li> <li>• Appearance of misalignment between HR plans and HR actions</li> <li>• Both groups generally only considered non-technical means of progressing relationship</li> </ul>	6.5; 6.5.1; 6.5.2; 6.5.3
5. THE INTERNET	<ul style="list-style-type: none"> <li>• All respondents were experienced users of Internet technology</li> <li>• 92% gave the Internet a positive rating</li> <li>• There was general recognition of the downsides of the Internet</li> <li>• For an ever increasing number of tasks in BT, the Internet is the only way of carrying them out</li> <li>• Desk availability and speed of accessing information were other main reasons for use</li> </ul>	Appendix P
6. EXPECTATIONS OF HR INTRANET	<ul style="list-style-type: none"> <li>• Influenced by personal factors, experience, role and BT context</li> <li>• Expectations unique to each individual</li> <li>• Majority of HRIA expectations achieved</li> <li>• Some managers had reduced their expectations due to experiences with HR</li> <li>• Differences in perceptions across BT groups and divisions highlighting absence of communication and expectations management</li> </ul>	6.6.1; 6.6.2



Area of Enquiry	Key Findings	Chapter Sections
7. OVERALL SATISFACTION WITH HR INTRANET	<ul style="list-style-type: none"> <li>Majority of managers satisfied with HRIA</li> <li>Differences in perceptions between HR and mgrs; and across divisions - indicating lack of communication and inconsistency of SQ</li> <li>Strength of satisfaction appeared weak with explanations of managers' choices</li> <li>Assumptions made about HRIA in lieu of appropriate information</li> <li>Communication viewed by some as a strength but by most as a weakness</li> <li>Issue of HR customer focus</li> </ul>	6.6.3; 6.6.3.1; 6.6.3.2
8. IMPACT ON SATISFACTION WITH HR	<ul style="list-style-type: none"> <li>Strong positive or negative responses</li> <li>Substantial differences between HR and mgrs; and across divisions again indicating lack of communication and inconsistency of SQ</li> <li>Strength of satisfaction of some managers appeared weak with explanations</li> <li>Responses based on experience with HR/HRIA, BT context, requirements for role and personal preferences</li> <li>Requirement for human interaction affecting some responses</li> </ul>	6.6.4
9. INVOLVEMENT IN PLANNING	<ul style="list-style-type: none"> <li>Substantial differences between HR and managers concerning involvement</li> <li>23% of HR not aware of HRIA involvement</li> <li>Majority of customers required involvement</li> <li>HR respondents generally felt it important</li> <li>Third of managers felt it negatively affected satisfaction with HR</li> <li>Reasons - expectations not met or BT culture</li> <li>Issue of HR/manager lack of communication and expectations' management</li> </ul>	6.6.5; 6.6.5.1; 6.6.5.2



Area of Enquiry	Key Findings	Chapter Sections
10. TRAINING	<ul style="list-style-type: none"> <li>Majority of managers (54%) dissatisfied with HRIA training</li> <li>Substantial differences of opinion between HR and mgrs regarding satisfaction scores</li> <li>Disagreement within HR whether training took place</li> <li>Half of managers felt lack of training negatively affected satisfaction with HR</li> <li>Preferences indicate need for choice of training options including human contact</li> </ul>	6.6.6; 6.6.6.1; 6.6.6.2
11. INTERNAL MARKETING	<ul style="list-style-type: none"> <li>Majority of managers (67%) dissatisfied with HRIA marketing</li> <li>Substantial differences between HR and managers regarding satisfaction scores</li> <li>HR split on effectiveness of marketing</li> <li>60% of mgrs felt the marketing negatively affected their satisfaction with HR</li> <li>No individual or group (below division) segmentation by HR for HRIA services</li> <li>Marketing could benefit HR as well as managers</li> <li>No apparent HRIA marketing strategy or senior HR recognition of implications of its lack</li> </ul>	6.6.7; 6.6.7.1; 6.6.7.2
12. FEEDBACK	<ul style="list-style-type: none"> <li>Most managers (80%) had not been contacted about HRIA feedback</li> <li>Substantial differences between HR and managers' views</li> <li>Majority of managers (63%) had not approached HR about HRIA issues</li> <li>HR quality of response to manager feedback perceived as generally poor</li> <li>Half of all managers felt feedback had a negative impact on satisfaction with HR</li> <li>Issues about HR communication and attitudes</li> </ul>	6.6.8; 6.6.8.1; 6.6.8.2



Area of Enquiry	Key Findings	Chapter Sections
13. SATISFACTION WITH HRIA TECHNOLOGY	<ul style="list-style-type: none"> <li>• Training scored lowest by both managers and HR</li> <li>• Highest rating scores by managers for speed, security and access still just short of satisfied</li> <li>• HR scored lower satisfaction rates for managers</li> <li>• Different perceptions by mgrs (ease of use) and HR as to most important factor for managers</li> <li>• Responses based on personal factors and individual expectations</li> <li>• Reasons indicated lack of communication and knowledge about the other group (both)</li> </ul>	6.6.9; 6.6.9.1-3; Appendix R
14. SATISFACTION WITH HRIA INFORMATION CONTENT	<ul style="list-style-type: none"> <li>• Overall rating for highest items by both HR and managers just short of satisfactory</li> <li>• Differences in highest ratings between HR and managers but gap small</li> <li>• Larger difference between 2 groups in choice of most important</li> <li>• Managers – appropriateness followed by accuracy; HR-accuracy, then ‘don’t know’</li> <li>• Some aspects rated as satisfactory if no experience of any errors (that HR knew of)</li> <li>• Comments showed lack of interaction and understanding between 2 groups</li> </ul>	6.6.10; 6.6.10.1-3; Appendix S
15. SATISFACTION WITH HRIA SUPPORT	<ul style="list-style-type: none"> <li>• Overall rating for highest item Peopleline by managers just short of mildly satisfied</li> <li>• Substantial differences in item scores and comments between HR and managers</li> <li>• Issues about consistency of HR service</li> <li>• Completion success rated most important by managers</li> <li>• Most important selection very different between HR and managers</li> </ul>	6.7.11; 6.7.11.1-3; Appendix T



Area of Enquiry	Key Findings	Chapter Sections
16. CATEGORY LINKAGES	<ul style="list-style-type: none"> <li>• Linkage supported between expectations met, satisfaction with HRIA and positive impact on HR satisfaction</li> <li>• Opposite negative situation also supported</li> <li>• Cross category analysis supported high satisfaction rating with low dissatisfaction scores</li> <li>• Cross category analysis also supported negative occurrence of above</li> <li>• Exceptions included personal preferences for human or computer contact; assumptions made about HR; impact only if managers' effectiveness reduced</li> </ul>	6.6.12
17. SUGGESTIONS TO IMPROVE HRIA	<ul style="list-style-type: none"> <li>• Majority of suggestions concerned communication aspects as well as:</li> <li>• Focus on users' specific role needs</li> <li>• Internal marketing</li> <li>• Information support tools</li> </ul>	Appendix U
18. PERSONAL FACTORS	<ul style="list-style-type: none"> <li>• Response pattern only seen in age factor (older = increased positive impact on HR vice versa)</li> <li>• Implication that younger new staff would be harder to please</li> <li>• No trends discernable for role discretion, tenure, work location and gender</li> </ul>	6.6.14; 6.6.14.1-5
19. GENERAL	<ul style="list-style-type: none"> <li>• HR perception of lack of senior management interest in or use of HR intranet</li> <li>• Lack of HR leadership identified from the implications of responses in most categories</li> <li>• Value of HRIA appears to be reduced by the HR structure in BT</li> <li>• Structure of HRIA does not appear to be effective – duplication, gaps and inconsistencies</li> <li>• Communication key factor in both positive and negative responses; between HR and managers; within HR; and between internal and external HR providers</li> <li>• HR in BT and e-pl do not appear to manage customers' expectations</li> <li>• Initial scores slightly misleading once explanatory comments made known</li> </ul>	Trends and themes uncovered across Chapters Five and Six - identified as appropriate

Source: Compiled by author



The next chapter resumes the discussion of the findings from the main study, which began in this chapter. Chapter Seven thus continues to interpret these findings with the context of the BT background information from Chapter Five and the literature reviews of Chapters Two and Three. Greater focus however, is now paid to synthesising the overall themes, trends and factors exposed by the analysis contained within Chapter Six, into an explanatory model, which acts as a logical framework for the discussion. Propositions for testing are also developed which seek to explain the relationship with these patterns in the data and the various factors likely to influence the HRIA and HR satisfaction outcomes.

In addition, the next chapter answers the Research Questions and pilot issues, presents a personal view of the wider implications of the findings and evaluates the research quality of this study.



## CHAPTER SEVEN: DISCUSSION OF FINDINGS AND EMERGENT THEMES

### 7.1 INTRODUCTION

The process of generating meaning (Miles and Huberman, 1994) that was begun in Chapter Six through the noting of patterns and themes and their theoretical connections, is continued and expanded upon within this chapter. From the original conceptual framework (Figure 3.5: 78) and the analysis of the findings, a model is proposed that combines the different factors revealed as important within this single case. The model also reflects the posited composition, flow and relationships between these factors (Blaikie, 1993) as they appear to explain the impact of the use of HR Internet applications on managers' satisfaction with the HR function. The use of models with which to build theory following empirical research and attempt to predict the structures and mechanisms underlying the phenomenon being investigated is also an important feature of realism (Blaikie, 1993).

The linkage of the analysis of the findings to generalisable theory is continued so as to maintain the theoretical level of this research (Eisenhardt, 1989) and ensure that the creative synthesis of different constructs is supported where possible. However, because of the nature of this study, the format of the chapter will not follow a traditional theoretical validation of the findings, where one or two key theories such as transaction cost theory or resource-based theory are re-summarised or represented, compared to the findings of the research under consideration, and a specific contribution is elucidated from this evaluation.

Within the literature review, there were a large number of theoretical variables and models considered - some appropriate for comparison, others to provide possible factors for investigation and those, which depicted aspects beyond the parameters of this study, necessary for setting the research into context and demonstrating its importance. In addition, since this research has not been carried out within the HR field or, to any extent, in either the ICT or marketing fields, this meant, just as with the theories, there were no appropriate frameworks on which this work could be based. Therefore, a broad conceptual framework was developed so as not to artificially direct the study into predefined areas that might not be appropriate for the particular context being investigated.

The arrangement of first part of this chapter and the linkage to theory will, therefore, accordingly follow the logical development (from left to right) of the explanatory model for this case (Figure 7.1). By necessity a range of theories from a number of fields are referred to but only some are used to provide a contribution to knowledge whilst other theoretical linkages are not central or substantial to make that claim but rather, provide support for a particular aspect under discussion.

The model is also used as a frame of reference to suggest appropriate propositions for testing in further research. This is acknowledged as a key reason for exploratory cases



as they debate the value of further investigating various hypotheses or propositions (Yin, 1994). In addition, the development of the model (with its generic counterpart – Figure 8.1) and propositions add an important contribution to knowledge of this research in providing the creation of further theory in a number of associated fields identified in the literature review. The model, propositions and discussion also enable the specific research questions of this study to be finally answered.

Every element of this thesis is an important and integral part of exploring the impact of HR's use of Internet technology, and each section brings an additional piece of the information jigsaw on which to build appropriate theory. Thus, each separate finding contributes, as does the process and end result of combining associated components, to our understanding of the phenomenon under investigation. For instance, while the end point of the model and focus of this research, is the increase, no effect or decrease on managers' satisfaction with the HR function from their use of the HRIA, the specific discussion around this particular detail (Section 7.8) is a small but critical building block within the chapter as a whole, but the whole thesis is built around the stages both leading to and progressing from, that pivotal focus.

The format for this chapter is the division into five main areas. The first presents the proposed explanatory model (Section 7.2) and continues the collective evaluation and linkage to the literature of key factors that have emerged from within the data from Chapters Five and Six. As mentioned above, the order of these sections (7.3 to 7.9) reflect the sequencing of the explanatory model and highlight particular issues to be noted at the appropriate stages. The outcomes are then applied in section 7.10 (the second main area) to the research questions and pilot findings and further discussed in relation to the issues being explored within each research question. A personal view of the wider implications of the research findings are suggested in the third section (7.11) and the fourth part presents an evaluation of this study against the quality criteria for judging realist research that was described in section 4.3.4. The final part develops the propositions from the model and the conclusions of sections 7.2 to 7.10, that can be tested in future research.

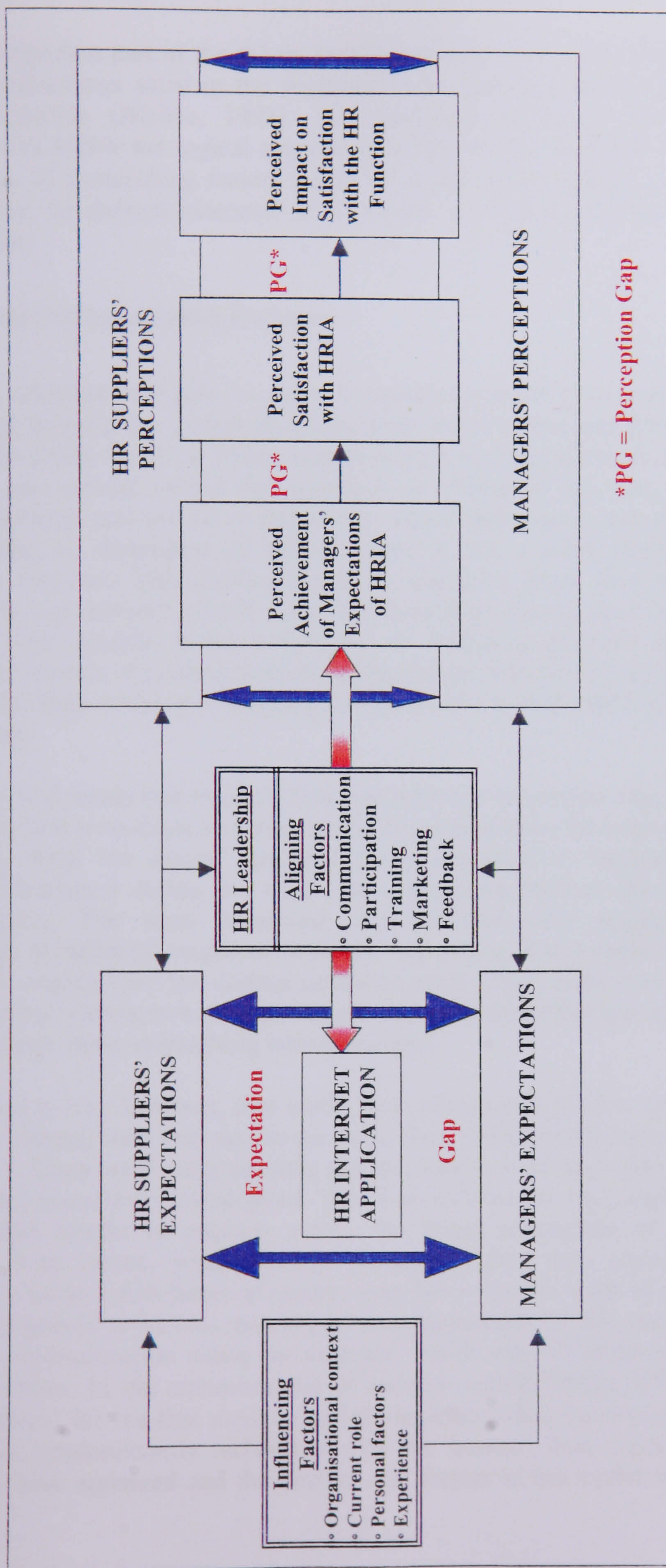
## **7.2 FROM CONCEPTUAL FRAMEWORK TO PROPOSED MODEL**

The original conceptual framework (Figure 3.5: 78) for this research was developed from a broad range of relevant literatures and theories from different fields. These had been appraised to identify the possible factors and connective structuring relevant to the topic being explored (Miles and Huberman, 1994). It had also been decided from the findings of the pilot, to continue with that version, as it appeared to most accurately reflect the research focus and pilot findings without pre-empting its direction in an inappropriate way.

The combination of the conceptual framework with the findings and initial discussion from Chapter Six, have provided evidence from which to provide content and structure for the construction of a model, which graphically encapsulates the outcomes of this research (Figure 7.1).



**Figure 7.1:** The Impact of an HR Intranet Application on Managers' Satisfaction with the HR Function



*Source:* Compiled by author



This is an important part of the theory building process of a realist study so that if the proposed mechanisms acted in the suggested way, they account for the phenomenon under examination (Blaikie, 1993). As mentioned previously, the accompanying discussion will follow the logical sequencing of the model (from left to right) and the identification of overarching factors within it, which appear critical to understanding, and achieving, the desired outcomes of the model in so far as they have been exposed from this case.

### 7.3 THE KEY OVERARCHING FACTORS

The model, exhibited in Figure 7.1, helps to explain and provide an understanding of the relationships between the factors identified from the literature and findings in Chapter Six and also posits the most fitting combination and progression. In addition to this, there were also several factors that appeared, in relation to this case, to be of prime overall importance and served to potentially impact each aspect and each stage of the model leading to, dependant on actions taken or not, a more positive or negative satisfaction outcome. This section serves to introduce these three key factors and explains how this research, which is the first time these aspects have been identified in relation to this specific issue, contributes to extending previous knowledge. The fragmented elements of existing individual theories are thus drawn together to provide a starting point from which this research has been able to both build new, and develop extant, theory.

The patterns and trends that emerged from the interview responses originated from three sources. The first were those that were explicitly probed from the interview guides such as training, while the second appeared to be important to respondents and were repeatedly mentioned during the main study interviews such as the inconsistent HR service quality. The third comprised elements that were implied because the combination of different responses exposed something that needed to happen or a catalyst was required for the desired action to occur. Thus, from consideration of the different factors relating to both expectations and satisfaction that appeared to be pivotal for this research, three overarching issues emerged.

It is pertinent to note however, that while these overarching factors emerged from this single case context, they may not be the same ones, which might surface in a different environment. There were many possible aspects, which could have been drawn from the literature, and specifically investigated. This was not however, the purpose of this study, which instead sought to explore within the broad parameters of the conceptual framework what issues, would emerge naturally, rather than presupposing certain elements. To select a few issues at random may have had the result of concentrating on areas, which proved to be less meaningful and appropriate for this context, and failing to uncover communication issues for example, which were of prime consideration for these participants. In the circumstances of another context, where ICT outsourcing is being considered for the first time, or an HR department has not previously existed, or managers are predominantly unfamiliar with the Internet, then different overarching factors may have appeared and the content and format of the model might need to be



altered in some way to reflect this outcome. Only further research will identify whether these findings are context specific or they can be generalised to a wider population.

The first overarching issue within this study concerns the quality of the leadership provided by the HR function in BT. Although there were no specific questions in the interview guides about HR leadership, both managers and HR suppliers either explicitly stated and implicitly provided evidence that aspects of top level HR performance were lacking in some places and, perhaps, had contributed to a number of their problems in others. Furthermore, many of the suggestions by participants and actions required to put them in place could only be implemented BT-, or even division-wide at the instigation of the respective HR leadership.

Secondly, participants of both sides repeatedly mentioned communication, its impact and this activity (or often lack of it) with regard the HRIA seemed to be significant in relation to individuals' expectations and resulting perceptions of satisfaction as well as the significant discrepancy in understanding between and within the two groups. If there were no problems about the quality of communication interfaces or a consistently close relationship between HR and managers, then it is unlikely that this would have become such an important factor. Only further research will be able to identify if this generally poor perception of communication and the negative impacts of HRIA training, involvement, marketing and feedback on HRIA and subsequent HR satisfaction are directly related or if, where there is a favourable perception of HRIA communication and the aforementioned activities have been satisfactorily implemented, communication becomes such an overarching factor to the impact issue.

The last issue, that of managing expectations, however, was like that of HR leadership, more implicit in that while it wasn't overtly discussed, the overall understanding of the need for this activity was implied in responses because of the gaps in perceptions between the two groups as well as the existence of expectations which were identified by the other party as not being realistic. These three key areas thus form an important part of this discussion section and are raised in most of the subsection topics that follow.

#### **7.4 INFLUENCING FACTORS ON HR CUSTOMER AND SUPPLIER EXPECTATIONS**

An overall analysis of the nature of respondents' expectations identified patterns as to where these expectations appeared to have originated. These were segmented into appropriate categories from which another pattern appeared to emerge. Thus, given the associated issue of disparity between HR customers' and suppliers' expectations, the categories could be divided into factors which had no effect on this expectation gap, and those that possibly could. Thus, the first category in the model consists of factors that appeared to influence participants' expectations but of themselves could not be used to reduce the differences of opinion between the two groups (identified as blue arrows on the model). Within this category, organisational context, current role, personal characteristics and experiences of contact with the other party were the main influences identified in this study.



Most reviewed literature in the expectation/satisfaction field including both external and internal customers tends to focus exclusively on the identification of a relationship between the variables, with many studies being quantitatively based. What the findings in this research have been able to elucidate through extensive analysis of the interview transcripts, is that the respondents not only identified their feelings as asked, but also articulated the problem they felt existed for themselves or others and then often supplied their own recommendation as to its solution.

Thus, the research was able to identify proposals for improving problem areas not just from the literature, the researcher's own experience and interpretation of the findings, but from the overt recommendations of individuals who had experienced the context and were thus, more likely to supply focused and appropriate solutions based on their knowledge of the company and their own self-interest. In addition, respondents' comments about the lack of both information and action in many areas exposed the need for more effective HR top management to lead the transformational processes required to optimise the impact which the HRIA could make to HR customers and suppliers' own personal role effectiveness. In addition, tangible evidence of HR's contribution to the achievement of BT's corporate objectives could also be provided.

The second category included those influencing factors, which it appeared could also be used by the HR leadership as mechanisms to improve understanding and awareness between the two groups thus reducing this expectation gap and at the same time, achieve more realistic role sender expectations. These aligning factors comprised communication, involvement in HRIA developments, HRIA training, internal marketing of the HRIA and HRIA feedback. As those in HR are also customers of the HRIA, for the gap to be reduced implementation of each activity would apply equally to both managers and HR suppliers. The aim is also to reduce the expectation gap (represented as blue arrows) found within HR between Group, divisional HR and e-peopleserve respondents that appeared due to this lack of effective HR leadership, inappropriate structures and poor communication practices.

Although the work of Zeithaml et al., (1993) had identified that the expectation determinants which they listed also applied to the internal work environment, it has previously been found that the application of external marketing research to internal was not fully appropriate (Rafiq and Ahmed, 1993; Brooks et al., 1999). Several aspects from Zeithaml et al.'s (1993) model were not mentioned by any participant, nor did they appear to be relevant for BT's circumstances. For instance, implicit service promises such as price, or transitory service intensifiers such as emergencies were not raised in this study by the managers. In addition, vicarious information (Webb, 2000) was not shown to strongly affect expectations within this research and although several respondents related anecdotes to illustrate a point, there was no evidence that this had influenced their opinion. However, because context has appeared as a key factor that influences expectations, only further research in other contexts may reveal whether this finding is specific to BT and its incumbents or whether they can be found to influence expectations within organisations if circumstances are appropriate.

From a statistical analysis of the responses it was found that a majority of HRIA expectations had been achieved. However, from the accompanying comments, there



were indications that some managers had reduced their expectations due to prior experiences with HR, which they had regarded as unsatisfactory, and the strength of satisfaction often appeared weak with negative comments accompanying a positive rating on the satisfaction scale. In addition, because of the lack of information and communication about the HRIA, it appeared that managers (and even those in HR), faced ambiguity about role responsibilities and comments were made about unrealistic and erroneous expectations and assumptions held by managers of the HRIA, their role and HR's role. These expectation reductions (Kopalle and Lehman, 2001), role ambiguity (Kahn et al., 1964) and 'false service expectations' (Webb, 2000: 9) appeared to highlight negative stimuli on the HR/manager relationship which, as research has shown, can be detrimental to levels of satisfaction and performance (Kahn et al., 1964; Miles et al., 1996) which may also have organisational repercussions (Bowen, 1996; Loveman and Heskett, 1999).

HR not only do not appear to manage their customers' expectations, but as indicated in the findings, at the managerial level they often make assumptions about them due to lack of information, while at the senior level, there were no indications that they were considered at all. From these findings, it appears that an understanding of BT's organisational context is also important, not only for identification of how it influences HR customer and supplier expectations, but also to be able to identify the contextual differences of organisations (Hartley, 1997) under investigation in future research.

#### **7.4.1 Organisational Context**

The findings showed that BT contextual factors appeared to influence participants' perceptions of HR. The structure of the company, its strategy, leadership, culture and approach to organisational change, amongst other items, were all specifically mentioned by participants. The literature has also consistently recognised that the organisational context will shape expectations (Jackson et al., 1989; Fondas and Stewart, 1994; Rodham, 2000). Context is identified as 'a potent influence affecting the interaction between people and the quality of the administration that binds the organisation together' (Kakabadse and Kakabadse, 1999: 7). Thus, it was noted, for instance, that BT had significantly decreased resources available to manage the HR intranet centrally. The strategy regarding the divisions and HR had veered from high centralisation to minimal Group level involvement and complete divisional autonomy.

Towards the end of the interview stage of the main study it appeared that this strategy was changing, seemingly going back to the core with the aim for greater "BT" connectivity. However, one of the informants regarding this information was the divisional Head of Communication but had not been fully briefed and so, was not sure. The speed of these changes and the constraints on finances and headcount were combined with the absence of information and lack of any clarity about what was occurring. There were also no details about reasons for the changes or the nature of, and time scales for, the desired end goal(s).

This consequently appeared to negatively impact the content and level of ambiguity of the roles of each participant, the ensuing HR/manager relationship and the mutual



expectation dynamics. Within the BT context however, role ambiguity did not emerge as a key theme in relation to the focus of the topic, nor was role conflict overtly mentioned or implied as affecting expectations and satisfaction. All the same, further research in other contexts may find that these become overriding concerns that need to be addressed as a major category when examining the impact of the use of HRIA on managers' satisfaction with the HR function.

Corporate expectations also appeared to influence individual expectations with the catalyst being the degree of individual impact and whether this was perceived as being positive or negative. Thus, BT had made the decision to form a joint partnership with Accenture and offer outsourced services in response to an increasing external trend (McCormick, 1998) and the realisation that not only could costs be reduced but a great deal of money could also be made (Kakabadse and Kakabadse, 2002). There has been an extended debate in the practitioner literature about corporate expectations for cost reduction promoting tension with regard to the development of HR strategic capability within an organisation. This was not apparent in BT, perhaps simply because HR, while not sitting on the Board, had a high profile within the company and were identified as mainly concentrating their attention towards those at the top levels of the company (Tsui, 1984; 1987). The real tension from the perspective of this research was that the HR leadership, who, it must be said were supported by an enviable amount of resources, didn't effectively utilise a range of low-cost actions such as communicating with their customers or responding to feedback, to possibly increase the success of HR's central support tool and demonstrate their contribution to managerial role effectiveness.

The transfer of over 1,000 BT staff to form e-peopleserve and the overall company downsizing of the last ten years has meant reduced HR staffing costs, but there was little evidence of concerted economies beyond individual budgets suddenly being reduced. Thus, limitations had been identified to HRIA expenditure but there was no consideration at the overarching BT level of the unnecessary duplication of resources and costs, without any evidence of matching performance increases, in the way the HR intranets were set up and run. The effect of these organisational expectations, while providing further background information regarding the nature of the BT context, were noted where participants had identified that it had influenced their perception of the HRIA situation such as those in e-pl being criticised for not understanding how things are done in BT.

Expectations may also change because of the life-cycle stages within the organisation (Jackson and Schuler, 1995). The HR intranet in BT is over five years old and all the participants in the study were experienced users of Internet technology so HR managers and customers had had considerable opportunity to evaluate their expectations against the performance achieved by both parties. As research has shown, expectations appear to be different for novice users or at the adoption phase (Davis et al., 1989; Thompson et al., 1991) and the circumstances of the HRIA development may also have implications for users' resulting expectations. This research provides useful evidence for the perceptions of experienced users with a reasonably mature ICT (in comparative organisational terms), which could be used to provide comparison with those researchers investigating companies at similar, or markedly different, stages.



What also appeared evident from responses about the past five years of the HR intranet's operation, was that very little sharing or interchange of communication about each party's expectations about the HRIA was carried out. There was also a wide discrepancy of viewpoints between HR and managers, and also between different HR divisions as to communication approaches. Although some 70% of managers indicated that they had not been approached by HR to discuss their needs, a situation they found to be unsatisfactory, managers had similarly not been proactive in making contact with HR. Part of the issue appeared to be the perception of inconsistent HR service quality, so that a satisfactory relationship solely depended on the attitude and ability of the HR individual one had contact with. There were strong implications about the quality of the HR leadership. Thus, Group, divisional and e-pl HR representatives did not appear to be accountable to operational group measures or standards of performance.

Where HR had documented policies, strategies or standards of performance for the HR intranet or communication, this was either, as in the case of the intranet, written by a middle level manager but not available to managers in any form, nor was there any evidence that it had been used at higher levels for any performance measurement activities or connected to any other strategic Group HR consideration. In the case of documented policies such as communication, it was generally perceived that the reality was very different in practice. The HR intranet strategy also did not apply to any divisional HR intranet, nor were Group aware of similar documents having been produced within the divisions.

Thus, the organisational context can affect expectations in both positive and negative ways dependent on the nature of developing situations within the organisation and how these are subsequently handled. Even if no action is taken, these expectations, which are dynamic and changing (Fondas and Stewart, 1990; 1994), will still be influenced, perhaps though, in a way that was not intended or desired.

#### **7.4.2 Current Role**

Within the BT context, a number of key factors have caused managers' expectations of HR and the HRIA to change. Firstly, the interview data showed that managers' roles appeared to change frequently within the company and often, role moves were to completely different positions such as from engineering to marketing, with the new incumbent not necessarily possessing the qualifications or skills for that role. Secondly, the BT literature (Woodhead, 2001; BT 2002) and interview data also illustrated that a key focus in the company has been, and continues to be, cost cutting and heavy reductions of staff numbers while requiring substantial increases in individual productivity and role responsibilities. In addition, over the last few years, HR have devolved a considerable amount of HR activities to the managers' role, but the evidence showed from the interview data that consultation was minimal as was training and support leading to role ambiguity for some managers.

Thus, it appeared that when managers were most needing increased assistance from HR, HR themselves were adding to, rather than reducing, the toll of the expectations of the managers' role. This situation most affected those roles with staff responsibilities



because of the increased need for additional HR skills and allocation of time to deal with HR related activities, which had previously not been required. Those who seemed most accepting of the situation were those who had worked in HR and understood the requirements, or those who felt that the managers' role was one which should automatically encompass people management, with HR very much a support mechanism for their specific needs rather than as a controller of managers' activities. Where devolution had impacted their role, however, managers generally felt HR's handling could have been better.

The rate of role turnover in BT also affected the expectations of the HR/manager relationship in the sense that these movements meant that, as managers and HR Representatives changed, the quality of HR service would be likely to change. This could be in a positive or negative sense since managers continually highlighted the inconsistency of HR service quality, indicating that it depended on which HR individual one was in contact with.

These findings support what has often been found in the literature. Thus, HR's actions in BT regarding devolution appear more focused on HR's need to become strategic rather than servicing the needs of the managers (Wilkinson and Marchington, 1994). The inconsistency of implementation, lack of consultation (Bevan and Heyday, 1994) and preparation has resulted in perceptions by managers of unsatisfactory HR service quality and role ambiguity (Poole and Jenkins, 1996). In addition, the associated impacts of downsizing, re-structuring and delayering have meant that, with increased operational pressures, managers find it difficult to allocate the time for people management issues (McGovern et al., 1997).

Over the same time period, HR has also been experiencing an even larger downsizing in their ranks. However, although those in HR mentioned the difficulties and stresses thus faced and a few managers identified that it was a likely cause of some of the problems regarding lack of human contact and poor service, this situation needs to be considered from both the BT and the wider business context. Previously there existed in BT an HR/staff ratio that had been unchanged for an extended period (Woodhead, 2001). The average tenure of BT managers is over 17 years, therefore they would have experienced this level of contact although the interview data also identified however, that historically the service given by HR was perceived by some participants as poor compared with current HR service quality.

From a purely business context however, what it actually indicates is that for years the company appears to have been significantly overstaffed by HR people whose likely productivity was very low. The reason for this is that in 1991 the HR/staff ratio was 1:17 (Table 5.2), which would be considered generally unviable, particularly for a publicly floated international organisation. Even in 1997, it was still 1:42 and by 2000 it had only crept up to 1:75. While this may sound high in BT terms, this has to be considered against the fact that a substantial amount of HR activities had been devolved to managers, and the HR intranet with its e-HR section (employee self-service) was also operational. In addition, the long accepted standard industry norm for HR/staff ratios is 1:100 (Csoka, 1995), while for those with HR intranets or shared services this increases the ratio for large companies in the UK to 1:145 (PwC, 2001) or as reported in the US,



1:200 (Alexander, 2001). While there may be some explanation in the extent of the role HR plays in BT, it still appears that, given devolution to managers, outsourced administrative services and the existence of the HR intranet all apply within BT, this current ratio should provide the opportunities for a high level of human contact if required. The inference is that the HR leadership appears not to have effectively directed the new provision of HR services.

Thus, the context has not only influenced the role expectations of both managers and those in HR but seems to have set them at an artificial level so they become unique to the company and not compatible with accepted "best practice" in the external environment. It also appears to indicate that those in the top HR level in BT may also have a lack of understanding of the implications of the financial and strategic goals of the company or the capability required to effectively carry out this strategic role (Brooks, 1994; Yeung et al., 1996; Oram, 1998).

Indeed, managers did raise concerns about HR's business awareness as well as their concentration on the expectations of those in higher-level positions (Tsui, 1984). Managers' perceptions of the value-added aspects of HR's role identified these as administrative and management support (Buyens and DeVos, 2001), and reports of their use of HR were mainly for administration and training. The HR respondents were split between those who saw their role in strategic terms and those who also saw it as supporting at a management and administrative level. These perceptions would each create an expectation of the services required or to be offered, as well as the role behaviour required on the individual's own part (Rodham, 2000). Because of the lack of information sharing regarding these expectations, which is ironical given the literature's advocacy for HR being the primary means for sending role information through the organisation and providing support for desired behaviours (Jackson and Schuler 1995), the resulting incongruity between the two roles serves to decrease perceptions of the focal unit's effectiveness (Gilbert, 2000).

In order to achieve role congruence, when a clear understanding of role expectations exists and these expectations are fulfilled (Broderick, 1999), effective communication plays a vital part. Both managers and HR appear to base many of their opinions on assumptions, and since individuals may also actively and intentionally initiate opportunities to shape the role expectations to which they may subsequently be held to account (Fondas and Stewart, 1994), this can compound the continued existence of misaligned expectations between the two. For instance, when low expectations of an HRIS have meant high levels of satisfaction, HR has allowed these expectations to go unchallenged (Kinnie and Arthurs (1996).

The role a person holds in an organisation influences expectations held by them and of them. However, these may then be influenced in turn by both the personal characteristics of, and experiences of dealing with, the role incumbent or sender (Fondas and Stewart, 1990).



### 7.4.3 Personal Characteristics

Each role, as well as each expectation, will also be influenced by the personal attributes of the individual incumbent (Fondas and Stewart, 1990). Personal attributes or characteristics, for the purposes of the criteria of this specific research category, encompass all aspects that are integral facets or demographic descriptors of the individual such as age, gender, personality type, qualifications, BT tenure, skills and training undertaken.

The findings also illustrated how individuals' self-perceptions or desired self-perceptions influenced their expectations and levels of satisfaction. For instance, participants identified themselves as easy going or self-learners who didn't need training or as someone who held high expectations and each responded from that appropriate perspective in the interview, however misconceived the self-perception may have been.

Because of the unknown effect of the combination of all these characteristics, it is difficult to identify possible outcomes. In quantitative research, while assumptions are sometimes made in the sense that if a respondent marks 'yes' to each item this is then summed so the respondent is categorised as being satisfied overall (Doll and Torkzadeh, 1999), from the findings this was demonstrated not too be the case and the scoring patterns often did not support the overall choices. In addition, the accompanying comments often showed that similar remarks could be scored very differently in terms of satisfaction achieved or expectations met or, similar scores could also be given for dissimilar reasons. Zeithaml et al.'s (1990) zone of tolerance supports this individual lee-way.

These personal characteristics combine to produce individual preferences that impact expectations and satisfaction with the HRIA (Haines and Petit, 1997) and people choose media on the basis of these (McQuail, 1994). Thus, some managers in the study were content to use either an intranet or manual method to obtain information, others definitely favoured human contact, while a couple preferred interaction with a machine rather than human interaction. Personal characteristics will also influence the user's perceived value of this communication (Goodhue, 1995).

An individual's expectations can also be determined by the focal person's (or unit's) characteristics (Fondas and Stewart, 1994). Thus, generally the HR function characteristics could be described from managers' perceptions as being inconsistent, status-oriented and distant and, from those in HR as strategic, respectable, bureaucratic, theoretical and self-important.

While the role sender or focal person's characteristics may provide the bases for influencing expectations, these can sometimes also be impacted by the experiences one has with the other faction.

### 7.4.4 Experience

The creation of internal and external expectations and their relationship to perceived service quality and satisfaction is highly complex with no guarantee of a consistent



towards the focal unit as well as the perceptions as to what constitutes acceptable performance (Walker and Baker, 2000).

For instance, some influencing experiential aspects in relation to the HRIA were outside the control of HR. Thus, all managers were experienced users of the Internet both inside and outside the work place. While the majority generally rated the Internet positively, others were more negative. Each person, however satisfied with the Internet, was able to identify downside issues from their own use related to access problems, speed, difficulty of finding specific information, security, presentation and so on. Thus, performance on the Internet appeared to act as a comparator (however, inaccurate), for many respondents by which the HRIA was judged. For example, mention was made of Cisco's two clicks compared to BT's 32 or web designers' inappropriate use of Flash technology. There were no references to any other intranets that participants may have used however, so this remains an unknown quantity which further research may find has a strong impact, particularly where new employees are continuously entering the organisational fold.

From the managers' perspectives, over time attitudes and expectations had changed dependent on the quality, or lack of it, of their interaction with HR. Research has shown that experience is also affected by a previous level of overall satisfaction which can mitigate the negative effect of a single, less than satisfactory service encounter, but this does not apply if overall satisfaction is low (Jones and Suh, 2000). Thus, some respondent's appeared to base a negative score on one particular incident that seemed to overwrite all the previous satisfactory experiences. Others had built up feelings of satisfaction or dissatisfaction over a number of different items over a number of interactions. The reasons for overall satisfaction were also sometimes unrelated to any previous item comments or scores, but due to personal preference factors that experience with these individuals ought to have been able to elicit and be responded to.

It has been posited that service providers thus need to focus on monitoring transaction-specific satisfaction during early stages of a relationship because overall satisfaction is not established and the effect of any single negative encounter may be great (Jones and Suh, 2000). The findings also appeared to demonstrate from the nature of participants' replies that where HRIA interaction has been infrequent, a strongly positive or negative experience would also have a greater impact, as would the importance of the outcome to the incumbent's role effectiveness.

Thus, a general picture of HR emerged from the experiences of the managers of inconsistency in the service quality provided by HR. This was deemed to have occurred both through the HRIA because of the differing standards and abilities in intranet provision between the divisions, and also through the human interaction since standards of performance appeared to be individually based rather than a concerted creation throughout the whole function. Another general image of a focus concerned more about the viewpoint from HR's perspective rather than the customers' arose, although there were mixed responses based on personal experience. Those in HR used their own experiences to also demonstrate their opinions of the managers, even if their interaction had been minimal and so relied on the interaction with only one manager.



Thus, a number of those in HR admitted that they didn't connect much with their customers, nor did they see the need to, and their opinions appeared also to be based on assumptions, which in themselves were likely to be partially influenced by third party comment (Webb, 2000). However, as this was not identified as a major factor since no distinct pattern of responses arose so this wasn't analysed further. This would however, be a useful perspective for further research, as would consideration of the effects within long-term internal relationships on single-aspect and overall satisfaction outcomes.

There also appeared to be a certain selectiveness by respondents concerning which experiences to recount and what aspects of them to relate. It is likely that dependent on the characteristics of the individual, choices would be made to either put themselves in a favourable light or the other party in a poor one due to the lack of support they experienced. However, this is not part of this study but an illustration of both the possible bias of respondents and the fact that similar experiences can be perceived in very different ways and communicated in many different ways to evoke receiver responses.

Successive interactions between the HR and managers should also encompass role development (Broderick, 1999). The achievement of this appears minimal in the sense that while service encounters, through both the HRIA and personal support, can be modified to better address managers' needs at different stages in the service life cycle and potential areas of role evolution can be identified and changes initiated to achieve the appropriate level of role development, there is no evidence that this has occurred beyond the manager level initiative of the Group HR website survey. The aim is for managers and HR to be able to engage in learned and newly adopted HRIA role patterns (Solomon et al., 1985) but the leadership to carry this forward appears to be absent.

#### **7.4.5 Section Overview**

The theoretical connections to the group of factors found to influence participants' expectations (Sections 7.4 – 7.4.4) have been drawn from mainly from role theory, marketing and services literatures and some from the HR and ICT fields. Most connections at this stage provide empirical support for previous theoretical findings, such as issues regarding HR's focus on their own needs rather than their customers (Wilkinson and Marchington, 1994) or their concentration on their more powerful constituents (Tsui, 1984; 1987).

Regarding the source of expectations a predominant model is that of Zeithaml et al., (1993) but as identified in Section 7.4 (from Figure 2.7: 29), it, like many of the other models and theories developed for external market contexts, does not comfortably transfer to the internal situation. This has also been found in this case study. For instance, as mentioned several factors do not appear appropriate to internal circumstances and, even when the category reflects a similar focus such as "self-perceived service role", the accompanying explanation of its meaning in relation to external customers is one that doesn't encompass the full nature of an internal organisational role or the different relationship between the internal customer and service provider. This research extends internal organisational knowledge (whether HR,



ICT or marketing focused) by providing empirical evidence of the internal aspects regarded as important to participants and by participants in relation to influencing their perceptions and expectations of an HRIA.

This section serves to explain how and why these factors are important in influencing expectations and once more the three overarching themes of HR leadership, communication and managing expectations are included within this discussion, though although they have an influence for each of the factors, at this stage it is early scene setting regarding the misalignment of expectations between the two groups and the performance of the HR leadership. This connection between these three factors is an important one that certainly hasn't been previously recognised in the HR field, nor except on a fragmented basis in either the ICT or marketing fields. The main reason for the latter areas is that because of a focus on theory testing, only one or a few variables are investigated and so, possible wider aspects, which may impact the results, are missed. The narrowly structured questions and responses' forms of survey research also do not allow such exposure, unless specifically asked or combined with qualitative exploration.

## **7.5 HR LEADERSHIP**

Although this research wasn't investigating leadership as a specific focus, there were a few references made to it in the pilot. However, at that stage, the HR top management didn't seem to be a prominent factor. From the analysis of the interview data of the main study, a process of cross-checking documentation and the nature and scope of HRIA issues being uncovered, the quality and actions (or rather lack of them) of the HR leadership increasingly emerged as highly significant.

Howell and Higgins (1990) note that one variable that has been strongly linked to the success of a technological innovation, and an HR intranet is still in its very early stages of evolution (PwC, 2000), is the presence of a champion. However, there has been little evidence within BT that anyone of seniority has taken overall responsibility for the adoption and/or development of the HR intranet within BT. There are numerous middle and senior managers such as the HR Commercial Manager (e-peopleserve contract), Group and divisional HR Information Services Managers (statistics and research about HR intranets), Group and divisional HR Intranet Managers who report to HR Information Centre and Strategy Managers and have dotted lines to Group and divisional Chief Information Officers (Group and divisional intranets in BT), who each seem to have partial responsibilities for the HRIA but there has not been any identification of one person who has overall responsibility for the BT-wide HR intranet.

The complicated structure; absence of an HRIA champion to lead and co-ordinate HRIA initiatives together with the general lack of lateral communication between divisions; duplicate functions and roles, all serve to increase the probability that consistent internal service quality will not be achieved (Hallowell, 1996; Wisner and Stanley, 1999). The successful implementation of an effective company-wide HRIA expectations' management program faces heightened difficulties to be overcome because of this.



It has also been suggested that to have a positive impact on the effectiveness of organisations, HR need to be flexible with this requirement being particularly critical for those operating in fast-paced, turbulent environments (Ferris et al., 1998). The complexity of the HR structure as mentioned above, with its silo-like labyrinthine hierarchy and reporting configurations, does not appear to encourage flexibility and participants identified the HR intranet as being inflexible. Given that managers indicated that the most important aspect for them regarding information content was “appropriateness for their needs”, this element (not recognised by those in HR) requires flexible and customisable delivery of intranet services. The HR structure also appears to discourage open and easy communication between and across levels and divisions, yet HR is the function which manages elements of internal communication in BT. Despite some divisions presenting aspirational communications strategies, analysis of participants’ comments showed that the practice appeared to fall short and effective action was lacking (Lawler and Mohrman, 2000).

Communication is identified as a critical element of leadership (Kakabadse and Kakabadse, 1999). Key aspects such as the consistent promotion of and responses to feedback are crucial for the effective management of an organisation (Korac-Kakabadse et al., 1998). Indeed, each of five key barriers to successful organisational transformation - inadequate leadership, insufficient communication, inappropriate structures, inadequate preparation of new roles and misaligned systems (Oram, 1998) - appear from the findings to exist within BT. These will remain however, unless those at the top level in HR recognise the need for the further development of HR leadership capabilities and take action to address them so that those in HR are able to meet the more demanding requirements of new leadership roles (Walker et al., 1999).

For instance, if initial opportunities for effective use of new technologies are not exploited, then ineffective use can become routinised and change can only be achieved by powerful intervention only (Tyre and Orlikowski, 1994) and strong leadership is needed to drive these improvements forward. However, the practitioner literature has identified in a Europe wide major survey covering some 977 companies, that although in 2000 the top 3 HR priorities were leadership development, organisational and cultural change and internal communications, only 3% of the HR function’s working time was spent on leadership development. The findings also showed that gaps still existed between the priorities of the business and those of the HR strategy (PwC, 2000).

As already indicated in order to improve both internal perceptions of the effectiveness of the HR function (Tsui, 1984), and to successfully alter the function’s role in the organisation, a change in the expectations of HR’s role set is required (Truss et al., 2002). To achieve this, from an analysis of the findings in BT, a program of planned expectation management activities is recommended to be undertaken. While Truss et al. (2002) note the range of internal and external factors that influence the extent of the HR function’s strategic role in an organisation, they also argue that it is down to ‘the will of HR department members to change their role’ (Truss et al., 2002: 42) but this will only occur if strong HR leadership is the catalyst for change. However, their research, a longitudinal study of two large organisations - one private and one in the public sector - carried out between 1992 and 2000, also found a similar situation to that revealed in BT.



Thus, differences in perception could be noted between the responses of those in HR and those in HR's role set. The internal role set (or customers) indicated little understanding of what HR did beyond administration, and raised doubts about HR's capability, visibility, communication, HR's strategic thinking and what the HR strategy encompassed as well as HR's role and contribution (Truss et al., 2002). It is also interesting to note that in both organisations of that study, while HR's goal over the period was to become more "strategic", at the same time, there were significant reductions in the percentage of the internal customers who were satisfied with the quality of service received from HR (Truss et al., 2002: 49 and 56).

## **7.6 ALIGNING FACTORS FOR HR CUSTOMER AND SUPPLIER EXPECTATIONS**

Some factors were identified that, while they fit the criteria of the "influencing" category, they could also be used as part of the process to both manage expectations so that they become more realistic and to reduce the gaps between HR and the managers with the aim to align their expectations and perceptions. These gaps between the expectations of those providing the system and those expected to use it have been linked to the failure of ICT implementation (Kydd, 1989). The HR function is also in a pole position to provide value-added ICT support services to all levels in BT since evidence has shown that it is the mismanagement of people, rather than the failure of technologies, which prevents firms, functions and individuals from realising the full potential of a technology (Snell and Dean, 1992; Martinsons and Chong, 1999).

Thus, the reasons for the Exult outsourcing debacle, which e-peopleserve would do well to note and take appropriate action, was described as forgetting about the people and not getting buy-in from the unit managers (Flood, 2001). A number of key processes and activities have been identified in order to avoid such costly mistakes - the use of effective two-way communication with managers about the HRIA; involvement in HRIA developments; HRIA training, HRIA internal marketing and HRIA feedback/action.

The extent of the need for these aligning factors in BT as identified by managers in the interview data also appears to highlight a lack of effective HR leadership at Group level as well as in the divisions. These aligning factors for the HRIA are recommended to be an integral part of the general corporate HR strategy since these items should impact BT's context and culture, the HR business model, the HR ICT strategy, the communications strategy, the appropriate policy documents and performance standards as well as the short-term operational plans. In addition, it is recommended that they apply to each division and e-peopleserve so that implementation can be aligned to the same standard and needless duplication avoided.

It is advised that these standards and practices are consistently applied, and as part of the improvement process, they become embedded into the culture and expectations of the company. Performance monitoring is also suggested to be implemented from a number of perspectives and methods, with resulting actions taken communicated clearly and in a timely manner. Top management support is often posited as important for ICT success (Beath and Ives, 1988; Howell and Higgins, 1990), and it appears that, for the



aligning factors, to have the optimum effect, since they have been shown to impact both managers' and HR suppliers' perceptions of satisfaction, effective HR leadership as mentioned in section 7.5, is needed to implement the changes across BT.

### 7.6.1 Communication

The key aligning factor is communication, which is an integral part of the next four activities and of the process of managing expectations and keeping them realistic (Ginzberg, 1984; Szajna and Scammell, 1993). For the purposes of the inclusion of communication as a separate section, the term communication is used here to describe any communicative interaction between HR, the HRIA and managers, and between HR and managers through any medium about the HRIA, formal and informal that does not fall into any of the other four categories. The aim of this section is to also set the scene by considering the general communication-related findings and linking them to the literature.

One of the consistent themes that continually appeared in the managers' responses about the HRIA was the lack of HR function-initiated communication about the HR intranet and how this support tool fit into HR's general strategy and relationship objectives. Because of this, there seemed to be a domino effect to the underlying negative feelings. The lack of communication appeared to lead to:

- a) a lack of information and knowledge (and in some cases, interest) about the HRIA; which appeared to lead to:
- b) expectations that were not generally considered realistic by those in each focal unit (expectation gap); and which led for some respondents to:
- c) role ambiguity and/or the need to make assumptions about the HRIA/HR; which led to:
- d) weak feelings of expectations being met and satisfaction, or negative responses about HRIA items and HRIA/HR satisfaction; opinions which appeared not to have been communicated between HR or managers leading to:
- e) a large perception gap; on which no action seemed to have been taken because HR weren't aware of it.

This situation had probably existed since the start of the HR intranet and will continue unless effective leadership is shown. At the moment, this appears unlikely for the following reasons. The HR intranet and e-HR strategies were written by a middle manager and there is no evidence of it truly being incorporated into BT's people strategy and actioned by those in HR at the top level. From the analysis of the interview data, there also appeared to be a perception by HR suppliers that senior managers, both inside and outside of HR, do not use or consider the intranet as important or of value. In addition, this perception seemed to be reinforced by the implication that human contact was considered superior because the action on which it was based, the provision of a bespoke personalised service to senior managers, meant they didn't have to use the intranet and, just as importantly, were also seen as not having to use the intranet.



The HR intranet has been documented by BT as a cost saver (HRS – BT Doc 5; S4.2) that appears to have enabled the removal of large swathes of HR staff. Senior managers seem to be given a different service and there also appears to have been a consistent lack of information about the HRIA, especially regarding the reasons for its introduction and benefits. These factors, when considered together, appeared to have possibly created negative stimuli in the minds of managers, including those in HR. However, as noted in section 7.5 there didn't appear to be a more senior HR person who was taking overall responsibility for the operation and development of the intranet or consideration of the implications around decisions made about it and possible issues that could be raised. There was also no evidence of a communication strategy for the HR intranet. There was however, consistent evidence in the literature of a lack on the part of HR of both communication and understanding about end-user expectations and possible issues (Templar, 1985; Clegg and Kemp, 1986; Legge, 1989; Buckley et al., 1998; Truss et al., 2002), which appears to be replicated here.

The surprising element in all this appeared to be the general lack of vision of those in top-level HR positions. There was widespread recognition by managers of both sides that the development of the intranet was inevitable with more and more HR activities soon only being able to be achieved through this medium and its importance would increase as functionality, particularly regarding customisation and interactivity, became more sophisticated. However, since the literature consistently illustrates this lack by those in the most senior HR positions (Kinnie and Arthurs, 1996; Martinsons, 1997; Temple, 2000; Pickard, 2000; Tansley et al., 2001) it perhaps should have not caused surprise, but rather dismay at such a wasted opportunity.

Those in HR do not appear to help themselves. Considering that the strategic level is identified as HR's Holy Grail, it says much about the incumbents that even carrying out strategic activities, half the time HR Directors play no significant role in communicating or progressing the HR strategy through the organisation (Skinner and Mabey, 1997). There was thus, far less likelihood that HR Directors would concern themselves about communicating HR's use of something they considered low value and with little capability of enhancing HR's profile (Aydin and Rice, 1989).

Effective communication has the ability to improve the relationship between HR customers and suppliers in concurrently developing HR's and the HRIA's perceived service quality (Tucker et al., 1996; Wisner and Stanley, 1999) and user support mechanisms to that which meets the managers' expectations (Haines and Petit, 1997). Some of the responses of both the managers and the HR suppliers appeared to indicate an assumption that the HRIA replaced the need for managers to interact directly with their customers, yet this is inaccurate (Berry and Parasuraman, 1997). It is about HR providing a balance of appropriate intra-organisational media choice (Korac-Boisvert and Kouzmin, 1994) that also prioritises the needs of the internal customers, makes the most effective use of resources and this information is fully communicated throughout the organisation to all levels to increase awareness of HR's initiatives and achievements.



### 7.6.2 Involvement in Planning HRIA Developments

There were substantial differences (e.g. 60% for the negative response) identified between managers and those in HR concerning management customer involvement into either the adoption or any planning of future HRIA developments. Very few of the respondents mentioned the HR intranet survey as a possible means of achieving some input, although it was also mentioned that no information as to the results had been communicated. The survey report was produced at the beginning of October, 2001 and this included a section which identified recommended improvements that were being considered (Section 5.2.6.1). All the interviews for this research, excepting those from the pilot, took place from October, 2001 through to February, 2002.

Given that the intention was to specifically develop and make improvements to the HR intranet from the results of this survey, and this was the first opportunity for such input during its whole period of operation, HRs approach was very low key. Many managers and even HR respondents were not aware of it and so opportunities to identify mutual adaptation requirements between users and site developers regarded as critical for the internal market (Leonard-Barton and Sinha, 1993) were lost.

Half of the managers who had not been involved or satisfied with the involvement opportunities felt that this had decreased their satisfaction with the HR function, while there were no positive impacts on satisfaction mentioned for those who were satisfied with the lack of involvement. Reasons for the negative situation were generally given as expectations not having been met or the perception of a long established culture in BT where opinions are not sought. Among those managers who felt involvement was not of interest or required too much time or who were satisfied with no involvement being required by them, there was an assumption by some that other managers would have been involved. HR's expertise over the managers for HR matters, as well as the large numbers of managers making such involvement difficult were also mentioned. The general overall feeling though from both managers and HR was that involvement was an important factor for meeting the needs and expectations of the users (Doll and Torkzadeh, 1999) increasing the likelihood of user satisfaction and the intranet's success (Phelps and Mok, 1999).

The issue of HR and manager communication was again both an overt and underlying part of most of the responses. Communication was thus important at many different stages of the involvement process and continually these key aspects did not appear to have been actioned (or considered) by those in HR (Buckley et al., 1998) and so misalignment appeared to have occurred between HR and managers and their expectations seemed to become based on assumptions and suppositions due to lack of information. The process appeared opaque despite the promises of various BT communication policies.

There also seemed to be a lack of communication at each stage. Thus, participants identified that no information was disseminated to managers about the decisions and reasons as to whether users would be formally included in HRIA adoption and development or not. In addition, other important aspects seemed to be neglected, such as:



- plans and time scales for what would be happening regarding the HRIA;
- how users could be involved, if they wanted, and how this process would operate e.g. meetings, demonstrations;
- strategy and objectives for the HRIA;
- what would be on the HRIA and why;
- formal and informal mechanisms for sourcing information about HRIA decisions;
- where to send suggestions and comments about HRIA;
- updates as to the progress of the HRIA and its achievement of objectives.

In short, communication about the involvement process could have helped to make managers (including those in HR) feel included and at the same time, managed their expectations and provided relevant information so that assumption making was avoided. It could also provide an outlet for those who wanted some involvement and enable the perception that the HRIA development was focused towards the users' needs rather than HR. These communication activities, if effectively carried out, could also both improve the alignment of expectations and increase positive responses towards the ICT resulting in higher and stronger satisfaction levels (Baroudi et al., 1986; Doll and Torkzadeh, 1989; McKeen et al., 1994; Lin and Shao, 2000).

With an increased focus on the importance of Business to Employee (B2E) relationships in planning intranet developments, Figure 3.6 (Hansen and Deimler, 2001) provided an example of an outcome of this involvement. Thus, the HR function in that instance, were able to clearly identify those e-enabled activities which were regarded as bringing most value to both employees and the company and decisions about the priorities for implementation were transparent and easily understood. This also mirrors the developments in the wider ICT literature where customer-centred design and end-user computing have been identified as increasing the value of the systems (Cavaye, 2000; Lin and Shao, 2000) and enabling organisations to remain competitive.

This lack of information did not appear to be limited to managers since nearly a quarter of HR respondents were not aware of what was happening regarding involvement of any users or about the HR intranet survey. Previous research has continually shown that HR specialists consider it inappropriate or unnecessary to identify and address end-user concerns at the planning stages of implementing IT (Clegg and Kemp, 1986; Legge, 1989; Templar, 1985; Tansley et al., 2001), thus supporting this finding about a lack of consideration or forethought regarding how to maximise the effectiveness of what, after all, is a support tool for the customers, not solely for the HR department as HR's actions seemed to imply.

### **7.6.3 Training on HRIA**

The issue of HRIA training provoked quite a response from participants as to whether HRIA training had taken place. It was generally accepted by managers that there hadn't been any, and their indications of HRIA training satisfaction depended on whether they felt they needed training, or not, to make most effective use of the technology and how important they regarded effectiveness on the HRIA to be important for their role. The



majority of managers were consequently dissatisfied with HRIA training (over the three negative categories) but the single category which scored highest was that of 'no opinion either way' since it appeared that some were unsure of how to respond. In addition, nearly all of those who were dissatisfied, felt it had decreased their satisfaction with the HR function, indicating how strongly people appeared to feel about the implications of not being trained or informed of the reasons why.

Those in HR on the other hand, appeared to disagree as to whether any training had occurred. Many were unsure as to whether it had, while some indicated that full training had been implemented but several then qualified this by identifying it had been for those in HR only. There was a clearer recognition in e-peopleserve that training hadn't been provided since they had decided that since the site was supposed to be intuitive it wouldn't be needed. Other in-house HR respondents also echoed this. This raises a number of issues about HR's approach to its customers.

Firstly, HR appeared to assume that 'supposed to' equalled 'is' and the HRIA training issue for them appeared decided. However, there was a generally agreed recognition by both HR and managers that one thing the HR intranet is not, and that is intuitive.

Secondly, even if the intranet proved to be highly intuitive, there were still a number of important reasons why training should still take place for the HRIA. Thus, as respondents identified, to meet the needs of those who require and want training; to facilitate induction and role change; to learn how to make most effective use of the site; to learn what's on it and what specific benefits it has for managers; provide a support mechanism and confidence builder for those less confident about the HRIA; obtain information about managers' concerns, questions and comments; the promotional aspect for HR, and also to increase use (Grover and Teng, 1994) and more importantly, successful use (Compeau et al., 1999).

Thirdly, there appeared no contact between HR and managers to either find out managers' opinions before or even after the decision had been taken or, to generally inform them that there would be no training but to explain the reasons. This lack of communication appears to have resulted in a strong negative effect on managers' satisfaction with HR and produced substantial differences of opinion between HR and managers regarding satisfaction scores. In addition, there didn't appear to be any consideration by HR of the possible implications of their decision and how this may impact users' role effectiveness and potential costs to the company in terms of possible lost productivity time, increased mistakes or higher frustration and stress levels. Indeed, research has consistently shown that the training of mid- and upper-level management in ICT has been less than adequate and this appeared to be an inhibiting factor to ICT, and subsequent, business success (Black and Tripp, 1990; Cragg and King, 1993; Compeau et al., 1999).

It has also long been recognised that the acknowledgement that different types of users need different types of training is one part of effective communication needed between ICT provider and user (Rockhart and Flannery, 1983). The findings illustrated that each manager had their own personal preference for the type of training, which would work best for them. This "me" factor, motivation through expectation of gained valued



outcomes, has been identified as a major explanation of participation in training (Tharenou, 2001) and one on which ICT training providers need to focus. Thus, it appeared likely that the offering of one type of training format would not have worked, but rather a range of possible options that included both human and machine interaction would have achieved the greatest benefit. Only with communication between HR and managers about HRIA training could this have been identified and implemented.

The training interaction, whatever method is used, provides a forum for HR to learn about the users of the HR intranet. It can reveal managers' concerns, likes and dislikes, suggestions, ICT ability and way of using it, and preferences about HR and HRIA services. It allows managers to increase their HRIA skills and knowledge, ask questions (which had been highlighted as something not done in BT as it showed one's weaknesses) and address any issues they might have about the system, give feedback and learn about future HRIA developments. Training also serves to continue the process of role development (Broderick, 1999) of both HR and managers so that role behaviours in relation to the HRIA become more aligned with the role senders' expectations.

#### **7.6.4 Internal Marketing of HRIA**

Internal marketing activities concerning the HRIA were generally felt by almost all managers and a significant number of those in HR to be weak with little done. Another group within HR however, felt that the marketing had been effectively carried out. These differences of opinion also led to substantial differences between HR and managers regarding satisfaction scores. Most managers were dissatisfied with the HRIA marketing and of those who indicated they were dissatisfied, almost all felt that it had decreased their satisfaction with the HR function. There were no indications of the marketing increasing any managers' satisfaction. Thus, an activity that should have had a positive effect on internal customers' expectations (Zeithaml et al., 1993) has had a significantly negative one. It has been posited that an intranet's success is based on 60% communication and 40% technology, and thus it is recommended that intranets be supported by a strong internal communications program (Kirsner, 1999)

It appeared from the findings however, that e-peopleserve had decided not to undertake any marketing prior to the commencement of HR intranet services, yet this still seemed to be the case at the time of the research some 5 years later. Some HR suppliers (and a few managers) equated marketing with sending e-mails out. Others identified Web page hit rates of an intranet as a measurement of customers' responses to the HRIA marketing. In addition, given that some HR respondents did not appear clear on the meaning of customer segmentation, there is an underlying gap within some of those in HR of a lack of knowledge and understanding about marketing terms (Harris and Ogbonna, 2001).

Where HR respondents mentioned marketing, these activities seemed to be on an ad hoc basis, which again were implemented inconsistently across the divisions with no apparent overall quality control or measurement of effectiveness. The hit rates could not provide effective usable analysis of the responses to internal marketing since they were only published for six monthly periods and did not identify where the user wanted to go



and why, where he ended up, which pages was he forced to click through to get there, did he achieve what he wanted and so on. Indeed, there was no information available of any results that had been achieved through marketing of the HR intranet implying that monitoring and control procedures have either not been implemented or that they are inadequate (Kotler, 1991).

The findings also identified that there had been minimal segmentation carried out for the provision of HRIA services. The HR site had been segmented by division only, but a key issue were the different standards of quality between the sites which presumably, was not the intended aim. The objective of segmentation is to target particular services which address the different needs and expectations of smaller groups of internal customers (Collins and Payne, 1991) and thus, promote specific aspects of the intranet to those who are most likely to benefit from it (Kirsner, 1999). The "me" factor is an important consideration since managers are more likely to be satisfied if a site is designed specifically for their requirements, rather than one containing hundreds of pages of no direct relevance. The findings appear to support this as managers indicated that "appropriateness for their needs" was the HRIA information content category regarded as equal first in importance. The discrepancy in HR's understanding of the reasons for this requirement is highlighted by the fact that HR rated this (by a large gap) as only the fourth most important.

The ability of individuals to customise the HRIA was also minimal, and although the statistics showed that managers were equally satisfied and dissatisfied or had no opinion either way, once managers were required to think what could be customised for their own needs, the possibilities seemed to spark increased interest. Customisation is posited as important for increasing perceived effectiveness of HR performance and increased satisfaction (Collins and Payne, 1994) and is regarded as an integral part of the design of the HR system (Monks and McMackin, 2001). Because there will be a cost attached to any segmentation/customisation of the HRIA, the items selected for implementation should be on a high employee/company value basis (Hansen and Deimler, 2001). The effectiveness and cost benefit realisation will only occur if the customers are involved at each stage, and a specific involvement/training/marketing/communication program is consistently implemented to all levels in the organisation to maximise its impact (Kirsner, 1999).

#### **7.6.5 Feedback About HRIA**

The findings showed a perception difference of almost 40% between managers and those in HR regarding HR not having sought HRIA feedback from managers. This situation is likely to have occurred because of a lack of communication about this issue if, and when, contact did take place between the two groups (Luk and Layton, 2002). In fact, less than 10% of managers indicated they had been approached by HR about the HRIA and even then, there was an element of uncertainty. Although HR suppliers had indicated about a third had requested feedback about the HRIA, their comments often implied infrequency such as in a business partner survey (yearly) or they were in fact, responding to comments made by a manager in the first place.



The majority of managers however, also identified that they had not approached HR about HRIA issues, although nearly a third had. From both categories, it appeared that the HR quality of response to the managers' feedback was perceived as generally poor. This also appeared to be supported by the tone of responses from some of those in HR to a question concerning the action they would take if a customer made a complaint or suggestion about the HRIA. Only 10% indicated they would actually get back to the manager, while the transcripts revealed key words such as 'whinge', 'dismiss', 'only complaints' littered among the answers. This somewhat negative attitude and approach to customer care also translated into a strongly negative impact on managers' satisfaction with HR with no positive indications.

Managers' expectations regarding HR intranet feedback did not appear to be high. Indeed there was no greater expectation (and perhaps even less) than would be expected as simple common courtesy such as giving a reply to someone who makes a comment to you. Therefore, an expected higher satisfaction rating would have been easily possible. However, managers indicated that they didn't get replies (even when promised) or nothing happened; they weren't sure if they had contacted the right person in the first place and weren't told if they had; or the response was negative without any explanation. While the literature, which is somewhat limited on this specific aspect, recommends a customer-centric HR approach (Ulrich et al., 1997) and an internal responsiveness to customer feedback (Lings, 2000), the findings appeared to show this was an area where HR could substantially benefit from some initiatives to address these weaknesses.

There also seemed to be an inherent lack of pro-activity within HR illustrated by the general assumption that if there were any problems with the HRIA, then managers would tell them. In addition, HR appeared to have the perception that such a "passive" approach to feedback was an acceptable standard. Even where documents had been produced such as the Group HR intranet strategy, it was only available to those in HR and while they provide some guidance for feedback standards, these only relate to feedback given through the HRIA but not by any other method, yet this was not mentioned by any of the respondents. These also do not relate to the divisional HR intranets, and consequently not all of them have online feedback facilities thus causing some confusion for respondents.

Only one HR intranet survey has been carried out in five years and even this was quite narrow and excluded e-HR and the divisional intranets. It was also only available if one was actually using the intranet. Therefore, those who didn't or couldn't were completely missed. Thus, because it was initiated and implemented by the Group HR Intranet Manager, its' perspective was as a general HRIA satisfaction rating with the identification of users' likes and dislikes. However, those who didn't use the HRIA had no opportunity to discuss why, and those who had no desktop access were not questioned either about their lack of use or opportunities for use. Given that there are numerous health and safety pages dealing with issues such as climbing telegraph poles, which could only apply to those in the field, this appeared short-sighted.

Once again, the findings have shown how HRIA feedback does not appear to meet the required service quality standard for both HR's internal customers and the



recommendations of the HR and marketing literatures. Feedback is also not simply receiving comments from customers it needs to be supported by efficient, effective, consistent and timely responses (Barney and Wright, 1998), which in this case does not appear to have been implemented adequately. Thus, as well as the possible effect on managers' expectations of and satisfaction with HR, the function itself also loses opportunities to receive firsthand information about their customers' opinion's about the HRIA, provide direct responses to managers as to how they have met their needs, and facilitate mutual role development (Broderick, 1999).

#### 7.6.6 Section Overview

This section (7.6 - 7.6.5) provides an interesting validation of the findings in that many of the aspects identified individually or in combination with other factors from the literature (such as ICT involvement, an ICT champion and ICT training) were not perceived to have been carried out or if done, not to users' required expectations or satisfaction. Thus, this study has tended to contribute to HR, ICT, marketing and role theories by exposing the negative implications, rather than the achievement of satisfactory expectations through the use of the aligning factors. This is however, the first time that these factors, separately and as a combination, have been investigated in such a way to uncover not just their impact on expectations and satisfaction, but also on satisfaction with the HRIA/ICT service provider and how they could be utilised so that negative effects and the existence of a wide expectations' gap, could possibly be minimised. Once more it is the tripartite combination of leadership, communication and managing expectations that in this case appears to be the most appropriate solution. This is a powerful finding, for the HR field as well as the other key literatures.

It is however, early days in generating this theory and in a different setting, this model may not be enough because there are strong positive perceptions to certain aspects but issues not contained in the model (e.g. a paternalistic and completely centralised in-house HR function) may be of greater overarching impact to the results. As with many key models such as Parasuraman et al.'s internal service quality model (1985), that are much tested, if this is done it is likely that further research will extend and fine tune its components as well as validate the original findings on which it was based.

In fact, the internal service quality model as mentioned above (Parasuraman et al., 1985) is supported within this research. However, while a substantial gap has been identified which confirms Parasuraman et al.'s Gap 1 - between customers' (HRIA) expectations and management (HR) perceptions of customer (managers' HRIA) expectations, the other gap found, is one of the new gaps uncovered by a later study, that of customer (managers') perceptions of service delivery and what management (HR) believed it had delivered (Lewis and Morris, 1987). Indeed, this research has also uncovered another gap in respect of the first part of the link (underlined) and what management (HR) perceived to be customers' (managers') perceptions of service delivery. This identifies an important contribution to the internal marketing theory in the first instance, as well as to the HR, ICT and role literatures.



## 7.7 HRIA SATISFACTION

Although the majority of managers indicated they were satisfied overall with HR intranet, when the comments behind the responses were analysed they appeared to project a much weaker image of the intranet being satisfactory. Thus, there was a general underlying feeling that it was an improvement on previous HR service delivery but not a great one. There were again differences in perception between managers and HR, as well as between the BT divisions once more highlighting the various standards of implementation across the group.

The satisfaction ratings with the items in the three categories of technology, information content and HRIA support also found some items with substantial differentials and others which were fairly similar. Each of the items to be considered in each category was identified from the literature, and although respondents were asked if there were any other factors they felt should be considered, no further different items were identified. The only item not expected by the respondents on both sides within the lists was enjoyment (Webster & Martocchio, 1992; Davis, 1992; Igbaria et al., 1994; Teo et al., 1999) and this produced a wide range of responses and some comments relating to having no expectations at all of going to the HR intranet for enjoyment or 'good news' (HRC5: S41). Teo et al., (1999) had found that enjoyment was a stronger motivator than ease of use to utilise the Internet for work, but this did not appear to be supported by this research.

The composition of a wide range of items for different aspects of the HRIA provides another contribution to knowledge, as this appears to be the first time that such a detailed examination of HR ICT satisfaction has been undertaken at two levels. The first is the participation and comparison between the perceptions of HR customers and suppliers regarding an HRIA, while the second, provides quantitative frequencies of item scores compared to accompanying comments explaining the reasons for the choices and opinions.

Of the technology category, training scored the lowest overall satisfaction rating by both managers and HR suppliers averaging close to the mildly dissatisfied score and HR suppliers generally giving lower scores in all categories.

Information content ratings were higher than the other two categories, although the highest ratings still did not reach the satisfied level score. HR suppliers still gave lower scores for six of the eight items.

The HRIA support overall satisfaction scores were broadly similar for HR and managers with only two out of five items scoring less than managers, but the highest rating for Peopleline, the call centre was rated close to mildly satisfied. Empirical research however, has consistently shown that end users are dissatisfied with helpdesk support which has driven users to use other means of assistance such as online help, and local MIS staff (Govindarajulu, 1996).

There were however, substantial differences within each group depending on the category. These findings are difficult to compare to the literature because of their



qualitative approach compared to the statistical sophistication of quantitative analysis which most ICT satisfaction research appears to present, and the approach of many studies only considering one or a few of the large number of variables that were included in this research (Cavaye, 1996; Yin, 1994).

The selection of the most important item in each category however, provided some useful comparators. The most important item for technology was navigation/ease of use for managers, but for HR suppliers it was also speed, as well as a significant percentage that didn't know. Previous research has shown and been supported however, that ease of use is only significant in early adoption periods (Adams, 1992), is non-significant after extended use (Davis et al., 1989), is more significant for inexperienced users (Thompson et al., 1991) and has less impact than usefulness and enjoyment (Teo et al., 1999) which appear to contradict the findings of this research. However, these cannot be direct comparisons but likely reasons may include methodological differences, the breadth of focus of this research against the narrow theory testing approach where these are the only factors being considered, and perhaps, the contextual backgrounds from which the different studies have been carried out.

The most important item in the information content category was jointly appropriateness for needs and accuracy, while for HR suppliers it was strongly accuracy with appropriateness only rated as equal fourth. The communication literature regards quality and reliability of information as two elements that contribute to the effectiveness of the communication climate and ultimately the organisation climate (O'Connell, 1979) and the ICT literature identifies IQ and its dimensions as an antecedent for user satisfaction (Wang and Strong, 1996). Information suppliers are recommended to understand their customers' needs and expectations so that they can provide the quality and type of information to enable users to most effectively carry out their roles (Wang, 1998).

Within the HRIA support category, the most important item for HR's customers was completion success by a large margin, while for those in HR they felt that managers would select speed of response as the most important item, but in fact it was their lowest rated category. This stark difference in perception appears to demonstrate the overall lack of communication and understanding of HR towards their customers. The literature on support for ICT applications is relatively small and the main concern is for the nature of the support needed (e.g. data back-up/recovery, data integrity) and who supplies it (helpdesk, online, IS staff) but this is one of the first studies to have identified the importance of issue resolution to the user's satisfaction as a key factor in ICT support.

A number of themes that had already been raised in the findings appeared once more. The lack of HR leadership was indicated by the absence of information and knowledge on both sides about what was occurring or planned for the HR intranet, as well as the issues of the inconsistency between HR individuals, divisional HR departments and in-house and external HR suppliers. Communication was identified as both a strength and a weakness, and ironically, an HRIA is seen in the literature as a way for HR to improve its communication (Straus et al., 1998; Temple, 2000). Nearly all the suggestions, given by both managers and HR respondents, to improve satisfaction with the HRIA, concerned communication and information aspects.



However, if HR view intranets simply as a cost-cutting way of replacing HR staff, in the same way that CRM has faltered because of this approach rather using the ICT as a relationship building tool (Krauss, 2002), then HR will continue to trail in the ICT stakes and lose credibility. Beyond this consideration, successful HRIA exploitation requires HR to have a consistent company wide approach to handling HR customer and supplier information and interactions. Standards of adaptation and responsiveness should also be consistently applied and supported by an effective HRIA communication and expectation management strategy and implementation program (Ryals and Knox, 2001).

## **7.8 IMPACT OF HRIA ON SATISFACTION WITH HR FUNCTION**

The main focus of this study - the effect that the use of an HRIA had on managers' satisfaction with the HR function - provided strong positive or negative responses. Thus, all the different individual combinations of their reactions to the influencing and aligning factors on expectations as previously discussed, have produced a unique mixture and relationship of expectations having been met or not, HRIA satisfaction or dissatisfaction which, in turn has led to this blend of positive, no effect or negative effect outcomes on managers' satisfaction with the HR function. While these results are case specific, they contain important implications for those in HR and for that matter, those in the ICT and internal marketing fields, relating to the need for a refocused understanding of the potential that a support tool based on Internet technology can have with regard to positive and negatives outcomes for satisfaction with the service provider.

In addition, the differences in perceptions between the HR customers and suppliers were again substantial, with almost 80% of those in HR feeling that managers would perceive it had increased their satisfaction with HR, compared to about half that figure for managers. This mirrors and extends previous research where perceptions between customers and service providers appeared large (Langeard et al., 1981; Brown and Swartz, 1989; Hubbert et al., 1995; Luk and Layton, 2002). The strength of satisfaction of some managers seemed weak when their explanations were considered and both aspects of their responses appeared to be based on managers' experiences with HR and the HRIA, BT's context, requirements for specific role and personal preferences.

This research analysed and identified a number of connections between different variables for the first time in the HR field and is one of the few studies in the ICT and internal marketing fields. The three-category linkage of managers' responses (Table 6.6.12.1) supported expectations being met, satisfaction with the HRIA and positive impact on HR satisfaction, while the opposite negative situation was also supported. Cross category analysis (Table 6.6.12.6) supported a high HRIA satisfaction rating with low "total dissatisfaction" (from the technology, information content, and HRIA support items) and "negative effect" (from satisfaction effect relating to customer involvement, training, marketing and feedback) scores and also found support for the negative occurrence of aforementioned connections. Exceptions included personal preferences for human or computer contact; assumptions made about HR or the impact only occurring if managers' effectiveness was perceived to have been reduced. These



category linkages appear to be unique, not only in the HR field but also that of ICT, marketing and role. The contribution is strengthened because the summation groups are not taken to provide the overall satisfaction rating as in a number of quantitative studies (Doll et al., 1994), but are used as a form of triangulation to identify a "profile-fit". Where the profile does not fit, the underlying reasons for choices, and further trends, are revealed using the participants' own quotes.

These findings also show, for the first time, that separately the factors identified in this study as capable of assisting in the alignment of both expectations and perceptions - manager involvement in HRIA developments; HRIA training; marketing of the HRIA and HRIA feedback - each possesses a strong impact, identified as a negative one within this study - on managers' satisfaction with the HR function. Communication, as a separate factor as well as an integral part of each of the other aligning factors, was also identified from the findings as the key activity to managing expectations and improving the relationship between HR and managers.

Although demographics and other personal factors have long been investigated regarding satisfaction of both ICT and service quality, there has been little research regarding their influence on the impact that a support tool can have on the support tool provider and in the HR field, the list of studies as yet appears blank. The findings of this study showed that of the factors investigated - role discretion, tenure, work location and gender - no discernible trends could be identified. This of course, is a finding in itself and may provide a basis for comparison in any future studies. The only category that appeared to show a response pattern was that of age, where it appeared that the higher the age category, the greater the positive impact on satisfaction with the HR function. This may be a pattern unique to the BT context, and this will only be possible to identify if further research is undertaken in this area. As a finding on its own merit and one which contributes to the HR ICT literature, it may indicate that with an increasingly demanding and Internet aware, younger customer base, HR may need in future to work that much harder, and achieve that much more, for its HRIA to make a positive impact on managers' satisfaction with HR.

## **7.9 HR LEADERSHIP, THE ALIGNING FACTORS AND THE NEED FOR ACTION**

This section encompasses key elements, which are part of synthesising the model if it is to be effective. As the dependency on the HR intranet within BT and indeed, other organisations, grows, so also does the need to identify ways to increase the HRIA's success. An ICT however, that is not used has little value, and this also applies to the aligning factors addressed in sections 7.6.1-5. Many of the issues and concerns identified in this research appeared to be the result of a 'lack of' something being done by HR. Only when action is taken can this situation start to be redressed and the true value of effective use of the aligning factors can be realised. The originating catalyst is recommended to be the HR leadership in BT who can provide the HR intranet vision and strategy as an integral part of the wider HR and corporate strategies. Those in the HR leadership positions are also advised to lead by example (Kakabadse and Kakabadse, 1999) and participate in HRIA training and development so that they too can effectively make use the HRIA, be seen to be doing so and provide appropriate



feedback to the intranet manager(s) where it is or is not meeting their expectations and feedback their own suggestions for improvements to meet their specific needs.

In addition, communication has been identified as a critical component of all the aligning factors. Here too a caveat is required to increase the possible positive impact of these factors, and which again, appeared to be let down because of the HR lack of leadership and action concerning their implementation. Thus, communication about the aligning factors is a key part of the whole process of implementing them. The communication is also not limited to the intended audience but should also be actioned in such a way so that those:

- a) in HR are aware and knowledgeable about HR's practices in these areas and they become the accepted standards of behaviour;
- b) at senior levels, so that HR's value to both the internal operation of the company (Parasuraman et al., 1991; Frost and Kumar, 2000) and external market outcomes (Bowen and Schneider, 1988; Heskett et al., 1994; Bowen, 1996, Loveman and Heskett, 1999);
- c) at operative level since ideally they will also be included within the definition of audience above;
- d) in other internal departments so as to provide both appropriate information and as a benchmark standard for intranet optimisation to be compared against (Harman and Brelade, 2000); and
- e) relevant suppliers (in BT's case, e-pl, Peoplesoft, ICT training providers) so they can align and raise their own service provision and standards of performance to that expected by HR and its customers).

This process of communication and interaction (Bowen and Greiner, 1986) with HR's multiple stakeholders (Kesler, 1995) is critical to increase the general perceptions of HR's service quality and satisfaction (Greer et al., 1999) in relation to the provision of the HRIA. The actions and communications however, need to be consistently implemented particularly since, the higher the expectations, the greater the dissatisfaction on the part of those who perceive they haven't been met (Oliver, 1980; 1997).

It has been suggested in some parts of the HR literature that the Human Resources function should be the primary channel for open and integrative communications processes within an organisation (Sims, 1994), but this overarching responsibility has not overtly been identified as such in the HR role literature (Table 3.1, section 3.2) but only as a part of each designated role if it is mentioned at all. However, communication has consistently been exposed as an area of HR weakness (Buckley et al., 1998; Gibb, 2001) even where strategic communication is concerned (Skinner and Mabey, 1997) and is a potential development need for all levels of HR practitioners. Participants' consideration of the role of communication in either not achieving the HRIA's potential or as a mechanism for improving manager satisfaction, both with the HRIA and the HR function, is an important contribution to the HR, ICT, marketing and role literatures as well as to that of the communication field.



The other key area is the management of expectations, which again requires leadership, action and effective communication if the desired results are to be achieved. From the findings, it did not appear that the HR function in BT and e-pl managed customers' expectations. Indeed, there was little evidence of any concerted consideration or communication from HR about customers' different needs and expectations (Buckley et al., 1998) although this has consistently been identified as a means of increasing HR ICT success (Martinsons, 1994; 1997; Martinsons and Chong, 1999). HR's management of expectations should not be limited to HR and their customers, but also considered from the perspective that HR's own expectations of the intranet at management level sometimes appeared to be different from what was actually achieved (Moreton and Aiken, 2001). The expectations of senior BT HR management were generally an unknown quantity, but there was little evidence to suggest that any evaluation of planned versus achieved benefits and alternatively those that were planned, but not achieved, had been carried out.

People's expectations, attitudes and assumptions however, are not going to change or disappear unless something happens, positive or negative, to alter managers' expectations, so to avoid taking action to manage them is to take a risk. Thus, the informal network, gossip and the grapevine may provide the information that managers and others are seeking about the HRIA but it may not be what HR want them to hear (Crampton et al., 1998). HR, it is thus suggested, need to actively engage and communicate with managers to find out their priorities and the value ascribed to them (Hansen and Deimler, 2001).

While it is obviously not possible to provide everything that HR customers may want, expectations can be managed in such a way so that customers feel they are being looked after and their needs are being addressed. It is important for customers to feel they are considered an important part of the HRIA service provision process. They are also more likely to be satisfied with that HRIA provision because they have had the opportunity to find out the details of what's going to happen and why. They may also be more willing to inform HR about HRIA feedback and suggestions about where the intranet is or isn't meeting their needs. Because managers will know why decisions have been made, the benefits for them and what is happening to their expectations which can't be fully met (if any) in the short term, they will be more likely to be satisfied with compromises, longer term proposals or alternative methods that can be used to work around the outstanding issues.

The focus of this research is the management level but it must not be forgotten that HR interacts with multiple levels and multiple constituents (Tsui, 1984), therefore while the identification is on managing managers' expectations, it must be placed in the context that HR will also need to manage all the other expectations which are sent by the other constituents. Research has shown that HR tend to treat senior level positions as the superior constituent (Tsui, 1987) but HR should balance this perspective with the need to identify the different expectations and priorities and implement the actions which will most effectively take the business forward in achieving its objectives and communicate this accordingly.



With regard to respondents' general expectations, an analysis of the overall findings identified another issue, apparently based on respondents' BT experience, which has now become a habit, of assuming that the "best" contact is directly between humans. Thus, responding to the question about discussing their needs, managers generally took this to mean in person, with only one individual mentioning the use of any electronic application, in this case, the telephone. No apparent consideration to e-mails, webcams, intranet chatting, bulletin boards, texting or other possibilities were raised.

In addition, replies to whether HR sought feedback from managers, generally used terms such as being asked, being given a form, being personally approached or being spoken to, with the implication that there was an expectation for direct human contact for this to happen. Similarly, many of the suggestions for training, even those for computer-based training, required the need for human contact either face-to-face or at the end of a telephone. There also appeared to be a "superior" expectation and the receipt of an alternative service for senior managers where they had a human on-call, not a computer application, together with an HR perception that those in the higher echelons were somehow above using a machine (Aydin and Rice, 1989).

If the HRIA is truly to become a conduit through which the HR function can demonstrate its strategic capability for the firm (Snell et al., 1995; Cabrera and Bonache, 1999), then it appears that the expectations of those at the most senior levels in HR also need to be revised, so that an organisation-wide HRIA expectation management program can be effectively led as part of this process.

After all, intranet segmentation and customisation capabilities are such that one-to-one interaction is possible remotely 24/7 with 100% information recall and calculation accuracy about that one individual, a feat no human has as yet perfected. However, it is also likely that reasons for the changes to the previous high ratio of HR to staff had not been communicated and so the interview data showed that this expectation remained and was being used as a comparison (an unfavourable one) against the current ratio levels and available human contact.

Thus, it is suggested that, led by those at the top level of HR, the HR function (collectively and each individual within it) should consistently communicate and market the HRIA at every opportunity to manage expectations within BT and break the habit of these perceptions. The use of direct human contact is recommended to be channelled to the areas where it can be most effectively and uniquely be deployed, where it makes the greatest impact, where it can add the most value and where the HRIA can't do it better.

## **7.10 RESEARCH QUESTIONS AND ISSUES**

From the findings and resultant discussion, it is possible to respond to the research questions and issues prior to the development of a relevant model and propositions.



### 7.10.1 Research Question 1:

**What is the impact of the use of HR Internet applications on managers' satisfaction with the HR function?**

The first research question examined:

- i) whether there was any impact on managers' satisfaction with the HR function from using an HRIA supplied by them;
- ii) what factors may affect the expectations and resulting level of perceived satisfaction/dissatisfaction with the HRIA;
- iii) the impact that the outcome of ii) may have on managers' perceived satisfaction with the HR function;
- iv) any differences in responses between managers and HR suppliers.

i) The primary research clearly identified that both HR customers and HR suppliers perceived that use of the HRIA had a strong impact on managers' satisfaction with the HR function. Thus, 80% of respondents felt there was either a positive or negative impact. Of the 20% who indicated no effect, comments revealed that some managers had either not seen any service improvements, while others made assumptions about HR's reasons for providing the HRIA or identified the impact would be made if it caused them to become less effective in their role. This represents one of the first studies within either HR, to connect the impact of HR's use of Internet technology applications to satisfaction with HR or, one of only a few studies in other fields such as ICT or marketing, to link the impact of a support tool to satisfaction with the support tool provider.

ii) Exploration of the factors that might effect expectations and the resulting level of satisfaction revealed aspects that appeared to fall, for the purposes of this research, into two distinct categories e.g. influencing and aligning factors. Many of these factors had already been identified in the literature review as likely issues for exploration such as the importance of training regarding ICT success (Chan and Swatman, 1999) or user involvement (Lin and Shao, 2000). However, it was not known, given the lack of prior research which addressed the specific focus of this study which factors and issues would emerge as important, and what would appear contradictory or of little relevance.

Possible aspects were included in the interview guides used and respondents were encouraged to give reasons or evidence for their answers. This had the effect of providing a huge amount of material which, by careful coding and analysis in the NVivo software, was able to reveal key discernable patterns (Eisenhardt, 1989) across the whole study for aspects that had not been overtly included such as differences between HR and managers' responses and issues around the HR leadership and communication. This exploration process enabled two groups of factors to be identified, which enabled the next point to be addressed.

iii) The first group included items, which appeared to influence expectations but in themselves did not progress the HR/manager relationship regarding the HRIA. Thus, personal characteristics of the individual, the BT context, the current role of the



respondent and their experiences with people from the other sample group, were all found to shape what expectations each respondent held regarding either the supply or use of the HRIA.

iv) The second group of factors also encompassed this item concerning any differences, which emerged between responses from HR and managers. Throughout the study there was considerable disparity between perceptions, not just on a quantitative basis, but also regarding the comments made to explain the replies given. The wide gap encompassed not only knowledge of and understanding of the other party's expectations but also from HR's viewpoint, identification of the level of managerial satisfaction achieved with the HRIA and its impact on their satisfaction with the function. These factors are communication, involvement in planning HRIA developments, HRIA training, internal marketing about the HRIA, and feedback opportunities. This group of factors enables HR to proactively manage their customers' expectations and if effectively carried out, improve satisfaction levels and strength.

#### ***7.10.1.1 Analysis of Pilot Findings a) and b) in Relation to Main Study***

Analysis of the pilot identified two key findings related to RQ1 for further examination in the main study:

*a) When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to feel satisfied with the HRIA.*

When expectations were met or exceeded the patterns that emerged showed strongly that customers were satisfied with the HRIA and if their expectations weren't met then the opposite situation existed and they felt dissatisfied with the HRIA. While three managers (10%) had 'mixed' responses to both elements, only one person did not fit this profile, meaning that over 86% supported this connection. In addition, HR suppliers who were answering from their perceptions of managers' responses, also established the same link, with only four not fitting the profile (and two answering 'don't know' or 'mixed' for both).

These results fit disconfirmation-of-expectations theory (Oliver, 1980; 1997) despite satisfaction being an emotional response that is both complex and often irrational (Westbrook and Reilly, 1983) and therefore, difficult to predict. Several managers had also indicated that they had reduced their expectations of the HRIA after experiences of perceived poor performance by HR so as to increase the likelihood of satisfaction (Kopalle and Lehman, 2001). This research thus, extends both expectations and satisfaction theories by supporting their findings in different contexts (intra-organisational; HR and managers; use of HRIA).

*b) When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to perceive that the HRIA has increased their satisfaction with the HR function.*

Consideration of managers' responses to this issue also revealed a strong connection. Thus, if expectations were met or exceeded then managers indicated an increase in



satisfaction with HR, and if they were perceived as not having been met, then it was generally felt to decrease satisfaction. There were two categories of exceptions. The first were those who indicated that while their expectations had either been met or not, this had no impact on their satisfaction with HR and this group comprised 30% of the sample. The second, some 7% of the sample, felt their expectations had been met but their satisfaction with HR had decreased. Related comments from managers uncovered several reasons such as the preference for more human interaction, which the HRIA was perceived to have reduced, or the observation that HR service quality had not actually improved.

Thus, over 63% of managerial responses supported this statement (or its opposite). For HR suppliers, there was also strong support with 70% fitting the profile. Of the rest, three either were mixed or 'don't know' responses, and six who felt that while managers' expectations had not been achieved, they would still feel it increased their satisfaction with the HR function because what they were providing now was far superior to what existed before.

The study also linked the three factors of met expectations, satisfaction with HRIA and impact on HR satisfaction (Table 6.6.12.1), and again, the responses showed either strongly positive or negative pattern. This was repeated for a wider cross category analysis (Table 6.6.12.6) where a total dissatisfaction percentage score (an amalgamation of all the HRIA technology, information content and support scores) and a negative effect score (where aspects such as lack of training and marketing had a negative impact on satisfaction with HR) were added to the three expectations/satisfaction/impact (ESI) factors already discussed. The patterns for this chart showed lower dissatisfaction percentages and negative effect scores for those who fell into the positive band of ESI, while those in the negative band of ESI, generally had high dissatisfaction percentages and negative effect scores. The few managers who did not fit the profile either preferred an intranet to human contact or had made assumptions about the reasons for the HRIA and felt there had been no service improvement.

An affirmation of support for disconfirmation theory (Oliver, 1980; 1997) from the marketing literature is still appropriate, although the focus on the support tool for one response and its connection to feelings about the support tool provider for the other is slightly more complicated. In addition, the ICT field is somewhat sparse on any similar connections between use of a support tool by a function within an organisation and satisfaction with the support tool provider.

This research has thus specifically investigated key individual characteristics of the HRIA as well as the overall satisfaction ratings. It has also shown that satisfaction with discrete experiences such as not being involved in HRIA developments or having a problem with a single aspect such as having to wait for support, can influence overall satisfaction for individuals, particularly those who already have negative feelings towards the HRIA provision and HR. Studying both aspects in one enquiry has received relatively little attention in the marketing literature (Jones and Suh, 2000), while in the ICT domain, the individual items of user satisfaction are often summed to obtain what is perceived as a total picture of satisfaction (Doll et al., 1994), and hence, this study contributes to the literature of both fields through this combination of perspectives. This



case also provides explanations from the patterns that emerged from accompanying comments to further understand the reasons why choices were made which did not fit the positive or negative profiles.

Thus, the overall response to the first research question is that the HRIA makes a firm contribution, previously unrecognised, to managers' satisfaction with the HR function. It has also been shown that the two accompanying issues have both been supported, as has the inverse situation of expectations not having been met decreasing satisfaction with HR.

#### **7.10.2 Research Question 2:**

##### **How can managers' satisfaction with the HR function be improved by their use of HR Internet applications?**

The second research question explored the actions that:

- i) the HR function could be recommended to take to improve managers' perceived satisfaction with HR from their use of HRIA.
- ii) managers could be recommended to take in order to increase their perceived satisfaction with the HR function.

i) The findings relating to the actions that HR might be recommended to take to improve managers' satisfaction, were both explicitly stated and implied within the responses given by the managers themselves and by those in HR. Two key activities appeared to be able to play an important role in improving managers' satisfaction through their use of the HRIA – communication and the management of expectations. In addition, who initiates these actions also emerged as an important finding. Thus, the lack of HR leadership at the top level regarding the HRIA and the perceived alternative treatment of senior managers appeared from the interview data to be important considerations for both lack of information about the HRIA and the perception that it was primarily a means of cutting costs and a second class service compared to human interaction.

The findings also revealed two substantial gaps between those in HR and their customers, the managers. The first was an expectation gap that was exposed by the lack of awareness or understanding shown by both HR and managers of the other party's expectations concerning different aspects of the HRIA. In addition, repeated inconsistencies between HRIA and HR service quality appeared to identify that this gap also existed within HR between Group, the divisions and e-peopleserve. The second was a perception gap where there was little insight or comprehension by HR of the situation regarding managers' perceived achievement of their expectations, satisfaction with the HRIA or the impact this had on their satisfaction with HR. Often assumptions were made that since managers hadn't complained, then there were no problems – a perception which appeared not to have been communicated to managers.



For these two gaps to be reduced, communication is a critical factor. While it is accepted that all expectations of those within an organisation cannot be met all of the time, by continuous dialogue through a range of media and methods, both sides have the opportunity to share expectations and information, identify the critical priorities and make decisions which are mutual and achieve the objectives of individual, function and organisation. The danger is where assumptions are made due to lack of effective communication which are then passed on through the informal network (Crampton et al., 1998) or role ambiguity is increased to the point of reducing managers' effectiveness (Schuler and Blank, 1976).

The aim should be for HR to service all levels of internal customer (Collins and Payne, 1991; Ulrich et al., 1997), communicate this effectively and implement it consistently (Barney and Wright, 1998). Because of the situation in BT it is recommended that this is also actioned within the HR function at all levels and including both internal and external suppliers. Thus, communication is a key element of managing internal customer expectations (Berry and Parasuraman, 1991) and a requisite component of 'partnership' with the line, which is prominent both in the literature (Renwick, 2000) and within the BT HR structure.

#### ***7.10.2.1 Analysis of Pilot Issues c) to f) in Relation to Main Study***

The pilot study identified four issues for further exploration relating to HRIA - involvement, training, internal marketing and feedback - because the pilot findings were inconclusive due to the differences in perceptions between the managers and HR suppliers. The four factors were felt to be linked to an impact on satisfaction with the HR function but because of the small sample, further investigation was required to see how these patterns would develop. From the pilot, they had been grouped together as a means of communicating with managers and, when the main study was analysed, as a further opportunity to manage their expectations. The negative versions of each statement were also considered.

*c) Where HRIA training provision was perceived by managers to be satisfactory, they may be inclined to feel that their satisfaction with the HR function has increased.*

The main study research showed that while 20% of managers responded that training was perceived to be satisfactory, 50% of all managers felt that it had a negative effect on their satisfaction with HR. Since no training was reported as having been given, replies to the first part appeared to be influenced by the managers' expectations and self-perceptions as to their need for any training due to either ICT ability or importance of the HRIA in their own role. The majority of managers however felt that some sort of training would have been and would be useful in order to get better results from the intranet.

The HR responses differed markedly from the managers with some also reporting that extensive training had been carried out. Their main concern was that because the intranet was supposed to be intuitive, training shouldn't have been needed. This overlooks the detail that it was recognised on both sides that it wasn't intuitive, and



even if it was, training was still identified as being required so one was aware of what was on it and what it could do for the manager, as well as being important for both induction and role changes which occurred frequently in BT. Training was also identified as a means of communicating with managers about its benefits, what plans for the HRIA were being considered or implemented, as well as giving managers an opportunity to ask questions which had been identified as something not done in BT, but could be acceptable in the training environment.

This issue has not been supported since there was no recognition that training had increased any managers' satisfaction with HR. However, a high dissatisfaction rating (54%) had transferred into almost 93% of that sample indicating it had decreased their satisfaction with HR and consequently the negative version is strongly supported.

*d) Where customer involvement in the adoption/development of the HRIA was perceived by managers to be satisfactory, they may be inclined to feel that this has increased their satisfaction with the HR function.*

Evidence from the main study showed that 90% of managers had not been involved with any HRIA developments, leading to some 64% identifying that they should have been. Thirty-three percent of all managers felt that this had decreased their satisfaction with HR and none indicating any increase. Thus, while involvement is recognised as a factor which influences ICT user satisfaction (Baroudi et al., 1986; Doll and Torkzadeh, 1989; McKeen et al., 1994; Hartwick and Barki, 1994; Lin and Shao, 2000), low levels of involvement have also been associated with user dissatisfaction (Leonard-Barton and Sinha, 1993). The impact has been investigated however, from satisfaction with the system itself and not the service provider, but in this case the results appear to indicate a mixed response. A number of managers did not expect to be involved and also felt that because of role time constraints and workloads this was not a critical consideration. In addition, managers also felt that there was a cultural acceptance of not being involved and some indicated that HR had the knowledge about HR content, not them.

Once again HR perceptions of the situation were disparate to those of the managers. There were also some 23% of HR respondents who were not aware of whether managers had been involved or not, indicating a lack of internal HR communication as well. Line management involvement has been recognised as an important opportunity to both gain information and knowledge about their needs as well as to share information from HR's side and increase two-way interaction (Tansley et al., 2001) and a number in HR did recognise this.

This issue appeared to be influenced by managers' expectations regarding involvement. These expectations seemed to be affected by the incumbents' role constraints, attitudes towards the HRIA's importance for their role as well as the organisational context. Once again there was no identification of any increase in satisfaction towards HR but rather a decrease. Thus, this issue was not supported, but there appeared to be a negative impact on managers' satisfaction with nearly 52% of those who required involvement indicating it decreased their satisfaction.



*e) Where the opportunities for customer feedback about the use of the HRIA were perceived by managers to be satisfactory, they may be inclined to feel this has increased their satisfaction with the HR function.*

The analysis of the findings revealed 80% of managers had not been approached by HR for feedback about their use or satisfaction with the HRIA. In addition 63% of managers had also not volunteered any comments to HR about issues they had with the system. 50% of managers indicated that this had a negative effect on their satisfaction with HR. No manager felt their satisfaction with HR had been increased. Once more, this form of communication has been identified as a way to keep HR fully informed about their internal customers' needs and expectations (Bowen, 1996). Although 37% in HR said they had sought feedback about the HRIA, this was often with regard to a their yearly formal 'partnership' meeting and not specifically about the HRIA.

This approach to feedback by HR and the perceptions of the managers about it demonstrate a lack of internal customer orientation (Reynoso and Moores, 1996). Feedback is also identified as a key mechanism for improving quality of interaction and dialogue (Kakabadse, 1991). In addition, the feedback process influences users' expectations (Bhattacharjee, 2001) and is critical as part of a way of both facilitating internal customer success along with that of HR (Ulrich, 1997; Barney & Wright, 1998).

This issue thus has not been supported since there was no indication of any increase, but there was found to be a negative effect on managers' satisfaction with HR if they did not perceive it to be satisfactory,

*f) Where the internal marketing of the HRIA was perceived by managers to be satisfactory, they may be inclined to perceive this has increased their satisfaction with the HR function.*

The research provided evidence that managers considered the marketing undertaken for the HRIA by HR was generally poor with only 20% indicating any level of satisfaction. Some 67% of managers gave responses on the dissatisfied scale. No manager felt it had increased their satisfaction with HR but 60% felt it had decreased it. Marketing communication has an impact on both internal customer satisfaction as well as the formation of their expectations (Spreng et al., 1996; Brooks et al., 1999). While research has shown that senior HR Managers were comparatively ignorant about strategic marketing activities (Harris and Ogbonna, 2001), although there is no reason to assume this applies to BT, there was however very little evidence of any formal marketing initiatives concerning the HR intranet or indeed, basic marketing information in order to measure the success of activities undertaken. This situation misses a valuable opportunity to influence not just managers' expectations and perceptions of the HR intranet but also the perceptions of those at the more senior level by demonstrating for instance, the HRIA's critical relationship to firm success and the ways in which it makes this contribution (Wright et al., 2001).



This issue was also not supported but the negative version was strongly supported in that nearly 90% of those who were not satisfied with the HRIA internal marketing felt it had decreased their satisfaction with the HR function.

Of note is the fact that for the substantial majority of customers, the four activities listed in issues c-f had either not been carried out or if they had been done it was generally perceived as being less than satisfactory. This translated into an absence of any perceptions of these activities having increased their satisfaction with HR, but a considerable indication of a strong negative effect. From the low levels of satisfaction indicated for these factors and a lack of any positive impact, it appeared as if these could almost be considered as hygiene factors. However, to jump to such a conclusion would be presumptuous and clearly there is the need to consider this situation in the light of additional research findings with higher levels of satisfaction.

ii) Although both within the literature and this research, there is an onus on the supplier to take the lead in managing the customer relationship (Davidov and Uttal, 1989; Berry and Parasuraman, 1991; Ryals and Knox, 2001), it has been suggested that customer service involvement and role identification have an impact on expectations and these in turn determine the level of satisfaction experience (Brooks et al., 1999). Within the internal organisational setting it is part of the interactive HR supplier/customer role development process that managers are also active participants. It is also likely that managers will become more active participants when HR are able to convince them of the personal benefits to each manager that the HRIA can offer.

The management of expectations or "expectation enactment" from the role theory literature moves the manager to being a shaper of role expectations by actively and intentionally initiating opportunities (Fondas and Stewart, 1994) between themselves and HR. Thus, a managers' use of these aligning factors should also enable the manager to both obtain their required HRIA information and also share information about their needs of the HRIA so as to improve the perceived value gained through use of the system. Thus, by overcoming wasted search times and a lack of knowledge of the availability of needed HRIA functionality, a more satisfactory experience of using the HRIA should be achieved together with an increase in personal productivity concerning HR related activities.

The managers in BT however, did not demonstrate a huge propensity for pre-emptive action. There was also a perception from some managers that, while they recognised that they could have taken some steps to contact HR about their HRIA issues, since they were the customer, HR should come to them. The danger of this however, is that combined with HR's tendency towards a lack of action in initiating certain HRIA support activities and the actual, rather than perceived, level of importance to the role incumbent, role effectiveness may decrease. To increase the motivation for managers to participate in what after all, is something for their own benefit, is for HR to focus on the "me" factor (Tharenou, 2001) when communicating HRIA opportunities and consciously develop a culture where two-way dialogue and participation have become the expected norm.



## 7.11 HRIA EXPECTATION/ SATISFACTION PROPOSITIONS

The model and its explanation have completed the first two retroductive phases and originate from the non-random patterns which appeared in the empirical study together with the researcher's own interpretation based on experience and knowledge (Costello, 2000). The model may also provide a theoretical underpinning for better understanding that more proactive managers in both supplier and customer roles will communicate and act on expectations given and received leading to greater success. One reason this may be true is that when the focal unit fulfils the role set's expectations, they are judged as more effective and this leads to greater success (Tsui, 1984). These propositions are not drawn from generalisable data however, and in order to test whether these theoretical generalisations hold true across different populations of organisations, further large-scale research would need to be undertaken (Yin, 1994).

As the research has demonstrated, four main factors were identified which appeared to influence the expectations of both HR customers and suppliers about the HRIA. These influencing factors comprised organisational context, participants' current role, personal characteristics and experience. The expectations of managers and those in HR have been shown to be misaligned and incongruent. They often appeared to be based on assumptions due to a lack of pertinent information about the other group. Thus, there exists a substantial expectation gap between the managers and HR with regard to the HR intranet. The influencing factors, however, do not of themselves have any effect on attempting to reduce this gap.

Therefore, this leads to the first set of propositions that can test the proposed model (Figure 7.1):

***P1: Expectations of managers or HR suppliers will be shaped by 'influencing factors'***

*P1a: Managers' expectations of the HRIA will be shaped by the organisational context in which they work;*

*P1b: HR suppliers' expectations of managers' use of the HRIA will be shaped by the organisational context in which they work;*

*P1c: Managers' expectations of the HRIA will be shaped by their current role;*

*P1d: HR suppliers' expectations of managers' use of the HRIA will be shaped by their current role;*

*P1e: Managers' expectations of the HRIA will be shaped by their previous experience with HR;*

*P1f: HR suppliers' expectations of managers' use of the HRIA will be shaped by their previous experience with managers;*



*P1g: Managers' expectations of the HRIA will be shaped by their personal characteristics;*

*P1h: HR suppliers' expectations of managers' use of the HRIA will be shaped by their own personal characteristics.*

Other factors, which appeared to affect expectations were also identified within the findings. These seemed to fall naturally into another category since they were all actions or activities which could be used to reduce this misalignment and enabled HR to actively 'manage expectations' both internally within the HR function itself and with the managers. The first factor, although not specifically investigated through use of the interview guide, was identified through the participants' responses, as the need for a catalyst to originate the implementation of these aligning factors. Thus, effective HR leadership appeared important so as to instigate the vision, planning, action and performance measurement for the development and use of the HRIA within the wider HR strategy. In addition, top HR management could also act as the HRIA champion (Howell and Higgins, 1990) and demonstrate by example how use of and participation in the aligning factors could improve expected internal customer outcomes. This led to the next proposition:

*P2a: Where HR leadership provides a clear strategic vision for the implementation of the aligning factors in relation to the HRIA and this has considered managers' feedback about their HRIA expectations and needs, then managers' expectations will be more realistic.*

*P2b: Where HR leadership provides a clear strategic vision for the implementation of the aligning factors in relation to the HRIA and this has considered managers' feedback about their HRIA expectations and needs, then HR suppliers' expectations will be more realistic.*

The second variable, communication, was not also specifically investigated, but rather frequency of its mention revealed this to be another overarching consideration. The focus on communication through all of these aligning factors has been extensively recognised as critical to improving the internal customer and supplier relationship both within the HR literature (Sims, 1994; Buckley et al., 1998; Bickerton, 2000) as well as in other fields such as marketing (Langeard et al., 1981; Brown and Swartz, 1989; Hubbert et al., 1995) and ICT (Kraut et al., 1998). Respondents consistently identified these aligning aspects as being important sources of sharing information, and their perceived lack or the poor quality of these factors demonstrated low satisfaction scores with each HRIA aligning factor and a strong negative impact with managers feeling that their satisfaction with HR was decreased.

Consequently, the following propositions encompass a focus on outcomes of managing expectations if these aligning factors are effectively implemented and the reduction of the expectation gap between managers and those in HR:

*P3: Where 'aligning factors' are used by HR to manage expectations of the HRIA, then managers' HRIA expectations will become more realistic.*



- P3a: Where two-way communication is used by HR to manage expectations of the HRIA, then managers' HRIA expectations will become more realistic.*
- P3b: Where manager involvement in HRIA developments is used by HR to manage expectations of the HRIA, then managers' HRIA expectations will become more realistic.*
- P3c: Where HRIA training is used by HR to manage expectations of the HRIA, then managers' HRIA expectations will become more realistic.*
- P3d: Where internal marketing of the HRIA is used by HR to manage expectations of the HRIA, then managers' HRIA expectations will become more realistic.*
- P3e: Where HRIA feedback is used by HR to manage expectations of the HRIA, then managers' HRIA expectations will become more realistic.*
- P4: The gap between managers and HR suppliers' expectations of the HRIA can be reduced by use of 'aligning factors'.***
- P4a: The gap between managers and HR suppliers' expectations of the HRIA can be reduced by two-way communication about the HRIA;*
- P4b: The gap between managers and HR suppliers' expectations of the HRIA can be reduced by manager involvement in HRIA developments;*
- P4c: The gap between managers and HR suppliers' expectations of the HRIA can be reduced by HRIA training;*
- P4d: The gap between managers and HR suppliers' expectations of the HRIA can be reduced by HRIA internal marketing;*
- P4e: The gap between managers and HR suppliers' expectations of the HRIA can be reduced by provision of two-way feedback about the HRIA.*

Managers' responses to questions such as training and feedback appeared to depend significantly on managers' attitudes to its importance for them, what personal costs were involved by not making use of these factors such as wasted time or reduced role effectiveness and whether the benefits of taking part outweighed the costs such as role time constraints or reduced productivity in the short term.

It also appeared likely that if HR actively managed expectations of these aspects, then the "hassle factor" of a manager going through the process to self justify taking action or not would largely be removed since the result of too much hassle would be to avoid it. In addition, those managers who chose not to take part would still be likely to indicate a higher satisfaction rating since they would be cognisant of the fact that it was offered to them in the first place and they understood the possible personal benefits and



perceived HR taking personal attention for meeting their needs which was generally seen as lacking by a majority of managers.

This leads to the following proposition:

***P5: 'Aligning factors' are more likely to be perceived as satisfactory if they meet managers' expectations of the need for the HRIA 'aligning factors'.***

*P5a: Communication with HR about the HRIA is more likely to be perceived as satisfactory if it meets managers' expectations of the need for HRIA communication;*

*P5b: Participation in HRIA developments is more likely to be perceived as satisfactory if it meets managers' expectations of the need for HRIA participation;*

*P5c: Training for the HRIA is more likely to be perceived as satisfactory if it meets managers' expectations of the need for HRIA training;*

*P5d: Internal marketing about the HRIA is more likely to be perceived as satisfactory if it meets managers' expectations of the need for HRIA information;*

*P5e: Feedback about the HRIA is more likely to be perceived as satisfactory if it meets managers' expectations of the desired feedback outcomes.*

Because of the nature of the responses, none of the issues that concerned aligning factors were supported. This was due, whether fully or partially it is impossible to state from this one case, to the very low levels of satisfaction and the seeming weakness of strength for many who had indicated in a satisfactory category. Thus, the negative impact was strongly supported in each example and those who were dissatisfied felt it had decreased their satisfaction with HR. Consequently, from the findings of this research, proposition P6 is suggested, with a caveat that P7 is likely to be supported in a context where the majority of respondents are satisfied with the service quality of the implementation of these aligning factors.

***P6: HRIA 'aligning factors' that do not meet managers' expectations and are perceived to be unsatisfactory, are positively related to a perception of decreased satisfaction with the HR function.***

*P6a: HRIA communication that does not meet managers' expectations and is perceived to be unsatisfactory is positively related to a perception of decreased satisfaction with the HR function;*

*P6b: Involvement in HRIA developments that do not meet managers' expectations and are perceived to be unsatisfactory is positively related to a perception of decreased satisfaction with the HR function;*



- P6c: HRIA training that does not meet managers' expectations and is perceived to be unsatisfactory is positively related to a perception of decreased satisfaction with the HR function;*
- P6d: Internal marketing of the HRIA that does not meet managers' expectations and is perceived to be unsatisfactory is positively related to a perception of decreased satisfaction with the HR function;*
- P6e: HRIA feedback that does not meet managers' expectations and is perceived to be unsatisfactory is positively related to a perception of decreased satisfaction with the HR function.*
- P7: HRIA 'aligning factors' that meet managers' expectations and are perceived to be satisfactory, are positively related to a perception of increased satisfaction with the HR function.***
- P7a: HRIA communication that meets managers' expectations and is perceived to be satisfactory is positively related to a perception of increased satisfaction with the HR function;*
- P7b: Involvement in HRIA developments that meets managers' expectations and is perceived to be satisfactory is positively related to a perception of increased satisfaction with the HR function;*
- P7c: HRIA training that meets managers' expectations and is perceived to be satisfactory is positively related to a perception of increased satisfaction with the HR function;*
- P7d: Internal marketing of the HRIA that meets managers' expectations and is perceived to be satisfactory is positively related to a perception of increased satisfaction with the HR function;.*
- P7e: HRIA feedback that meets managers' expectations and is perceived to be satisfactory is positively related to a perception of increased satisfaction with the HR function.*

When the pattern of responses concerning the achievement of managers' expectations were linked to their perceived overall satisfaction with the HR intranet, it was found that a strong positive connection existed. In addition, the negative version was also supported. Consequently, the following propositions are:

- P8a: Perceived achievement of managers' expectations of the HRIA is positively related to their perceived overall satisfaction with the HRIA.*
- P8b: Where managers' expectations of the HRIA are perceived as not having been achieved, this is positively related to the perception that overall they are not satisfied with the HRIA.*



When the categories of achievement of managers' expectations and satisfaction with the HRIA were linked to the impact on their satisfaction with the HR function, there was support for both the positive and negative versions of the linkage outcome statement. In addition, consideration of the accompanying comments revealed that where managers' expectation achievement and satisfaction with the HRIA had been positive, but the indication had been given that there was no effect or, as in a few instances, decreased, the incumbents had either felt the HRIA was a replacement for human contact which was preferred, or that there had been no improvement in service quality and they weren't expecting very much anyway. The negative version was also supported leading to perceptions of a decrease in satisfaction with HR. Thus, the next propositions, which need to be further tested are:

*P9a: Perceived achievement of managers' expectations of the HRIA and perceived overall satisfaction with the HRIA are positively related to a perception of increased satisfaction with the HR function.*

*P9b: Where managers' expectations of the HRIA have not been achieved and they do not feel satisfied with the HRIA, it is likely that they will perceive that their satisfaction with the HR function has decreased.*

The final proposition for testing the proposed model is developed from a comparison of the differences in responses between the HR customers and suppliers. There appeared large gaps in each party's expectations of the other, and also, large gaps existed between managers' and HR's perceptions of achievement of managers' expectations as well as the achievement of satisfaction with the HRIA and the consequent impact on managers' satisfaction with HR. It appears likely that if a close two-way relationship exists so that the expectation gap is small, then so will the perception gap mirror this:

*P10: Where the expectation gap between managers and HR suppliers is wide, it is likely that a wide perception gap will also exist.*

An additional proposition that would be of interest but was not possible to accomplish during the main study identifies the impact of wide expectation and perception gaps. From the evidence presented in the case, it appears that where the gap is large, then it is likely that a reduction in the expectation gap should increase satisfaction, or perhaps decrease dissatisfaction with the HRIA and HR and also reduce the perception gap.

## **7.12 WIDER IMPLICATIONS OF THIS RESEARCH**

This section moves on from the direct findings and their possible implications within the parameters of a PhD study, to a personal interpretation of the wider issues exposed by, and in, this research. The potential implications for the HR function are exciting and far-reaching. To begin with, this is the first identification of the impact, both positive and negative, that an HR Internet application – a support tool that has previously been perceived in the narrow terms of cost reduction and administrative efficiency gains – can potentially have on internal customers' satisfaction with the HR function. While there are pockets of theoretical and practitioner literatures that extol the possibilities



afforded by effective use in HR of Internet applications, there has been a dearth of empirical academic research that considers its use from both the customers' and HR suppliers' viewpoints or its impact on HR satisfaction. Even, the extensive global Cranfield HR Survey barely mentions technology, and certainly not in terms of any consideration of its customer impact or effect on the HR customer/supplier relationship.

Secondly, the research appears to confirm that specific activities, already identified as important to ICT or internal marketing success, have a significant effect on managers' satisfaction with the HR function – although in this case, because of the circumstances, it was a consistently negative one. Thus, these areas – involvement in HRIA developments, HRIA training, HRIA marketing and HRIA feedback – are shown as both key factors in influencing expectations and perceptions of satisfaction but also, as a means of improving, through the communication and the management of expectations, misaligned and unrealistic aspects.

These findings seem to imply that the incorporation of an HRIA into any HR service system is not left to middle managers or responsibility allocated to a number of different individuals. It should be an essential part of the core HR strategy and overall responsibility clearly be placed, if not in the most senior HR Director, then a direct report who has company wide presence and authority.

The HR leadership is critical to the success of the HRIA in any company. While the provision of HRIA training or feedback in itself does not necessarily provide evidence of leadership, this is demonstrated in a concerted HRIA training and development strategy as part of an overall HR strategy. This strategy should be designed to optimise the impact of HR's contribution and image within an organisation through the use of an innovative support tool. HRIA training for example should be employed to manage HR's message to users, its image, perceptions of effectiveness and customer focus as well as to benefit their ability on the intranet. This thus provides a visible example of an HR leadership that makes this possible through effectively communicating with its constituents at all levels since the HRIA training (or involvement, feedback, marketing) should encompass everyone in the organisation from the MD down and be seen to be doing so.

The e-enablement of HR also implies understanding its greater complexity, as well as its possibilities, for HR leadership. There is an increased requirement for HR skills at each level, not simply technical ones but business focused such as marketing and communication. For example, those at top level need to be developed in business mastery (Ulrich, 2000) not simply on a general basis but focused, in the first instance on those aspects, which will truly support the achievement of HR making the most valued contribution to the organisation and unanimously recognised as essential to the Board. It appears that from concerns within the academic literature and the actions of some top-level HR practitioners, that HR want the status and elevation to the Board without truly demonstrating in hard business terms where this contribution lies.

Decisions to outsource or devolve what the majority of those in senior HR positions view as low value administrative items as a means to increasing "time for strategy" does not appear to apply to those in Finance for instance. Thus, although much of the work of



this function is bound by prescriptive legal constraints and a myriad of administrative “bean counting” activities that technology can do faster and more accurately (similar to that of HR), a Finance Director is almost unanimously regarded as an essential Board member – most likely because of clear and tangible evidence that the Board could not run the company without this position (or someone with the skills required of a Finance Director).

The protracted navel gazing carried out by many HR practitioners and academics detracts from the true impact that HR could have on the bottom line of any organisation. Thus, just as those in Finance know the numbers inside and out, so should HR seek to fully understand and know their own resources. Research evidence and organisational behaviour shows that unfortunately this is not the case. HR assumptions such as made in this case, that if people don’t complain they aren’t any problems, seem to perfectly illustrate why HR has not fully convinced those in power that there is capability to contribute at the top organisational levels.

Thus, starting at the top, there needs to be a conscious and collective effort to gain the appropriate business skills. In BT, those in HR were comparatively well qualified and many had had operations’ experience but this translated into a few exemplary individuals who appeared to understand both the need for customer contact and the possibilities of the technology from the perspicacity of their comments. This served to triangulate with managers’ perceptions that HR service and abilities were inconsistent. This finding in combination with regard to the quality of the HR leadership, indicate that at this top level the situation appears to be that both business and technology mastery is absent with the resulting situation to be found in BT whereby there is no overall HRIA responsibility; the HR intranet strategy is written by a middle manager and then seemingly left to rot or implement at will; and the concept and design of the HRIA for BT as a total entity has not been addressed.

Leadership is also integral to the provision of consistent service quality. Where, as in BT, the structure and authority is fragmented between many units and individuals and, there is also a lack of communication or connecting systems to identify best practice/overall effectiveness, then the potential of that tool is reduced. This is because the leadership has not been either visionary or competent enough in its approach to the technology, nor provided the strategy or other motivating forces to enable the potential to be realised. It is also not whether HR think ICT training is appropriate or not, but an example of communication and relationship building best practice if HR relates more to the needs and expectations of their many customer groups. Both sides need to be aware of all the issues and reasons for decisions taken and the opportunities for each group to have their needs and expectations met. This enables customer perceptions to view HR as an important source of support and development for their own roles, rather than an unwanted barrier to achievement whose activities appear to be better carried out by outsourced agents and/or in-house operations managers who can now obtain what they need through a direct relationship with an HR provider who is working for them.

The distinct external trends are those of an increasing customer or internal market focus, together with technology being the aid for a more sophisticated 24/7 provision of interactive and customised services. The HR function needs to seriously consider and



provide evidence of how these can be combined to demonstrate an HR service provision that maximises the impact of these trends to the benefits of employees at all levels, the organisation as well as for HR itself. HR staff can then be utilised in the most productive and highest value-adding way, allowing the technology to support this new vision.

A “partnership” approach appears to be a highly recommended HR practice for both academics and practitioners. Thus, as in BT, the “old” HR Reps become Account Managers whereby they overview all HR services for their business units and are responsible for customer relationship management. But there appears to be a substantial gap between a name change and a behavioural one. This is particularly true when there appears to have been an absence of concerted development or monitoring of its achievement from the HR leadership other than a formal individual business partner review that takes place annually and the HR intranet is not included as a topic for discussion or assessment.

There appears to be a distinct similarity in the partnership quest as to the strategic one. The rhetoric exists but not the tools or capability to enable it to be effectively carried out. Rather it appears to be a means for HR to locate itself at a higher level and at the centre of the organisation, but a true partnership is only possible if each partner fully understands, works around, encourages and helps the other to achieve their mutual goals. This requires close and continuous communication between partners by whatever methods are agreed as appropriate, and the sharing and management of each other’s expectations of the relationship and desired results.

There are many implied issues in the partnership approach and shared responsibilities for HR roles. The findings highlighted not only the need for effective communication and expectation management between all of the different parties but the guidance and ownership of its quality should come from the HR leadership. These leaders should be focused on meeting the needs and expectations of the business, and managing this process as these needs and expectations of the company, and of each of the differing parties, evolve and change.

The creation of an HR market orientation throughout the business is an HR leadership activity, it will not happen otherwise. However good individual management initiatives are, without top management guidance and company wide authority, these will simply continue; fade away and perhaps increase perceptions of HR inconsistency; duplicate other similar schemes wasting time, effort and money; or increase demotivation since these individual enterprises and efforts have not been recognised.

Consequently, HR needs to adopt a different approach to its strategy development. It is not enough simply to “align” the HR strategy with the corporate one. Given that people both design and implement the corporate strategy, HR should be a powerful contributor to its creation and its mechanisms for achievement. That is yet a far horizon, but regarding alignment, there also has to be a deeper understanding of how this can be achieved through an extensive and continuous awareness of the nature and inter-relationships between individual, departmental and organisational expectations. For instance, as identified in the literature, the implementation of an internal market



analysis; mission development; market segmentation; and developing and implementing the marketing mix (Collins and Payne, 1994), is critical to the accomplishment of this understanding. To these components however, a monitoring and adjustment element should be added, to close the loop.

An HRIA can greatly facilitate this process by being the key tool and source of this information; by enabling sophisticated analysis and dissemination to the appropriate individuals/market segments; and providing the human interactions with the required supporting material to maximise their impact. This however, requires a fully ICT literate HR function who have progressed from the basic HRIA applications (information publishing) towards the fifth level of HR Internet deployment, complete HR workflow over the Web (LeTart, 1998).

The strategic HR literature though, has been rather unforthcoming on the use of ICT, but with the increasing prevalence of virtual organisations and virtual HR the relative silence is of concern in that it is holding back the field and there remain many future research issues (Sparrow and Daniels, 1999) that have not yet been adequately addressed. A number of issues have been exposed in this thesis that either naturally fall within that considered as a strategic remit (such as the development of HRIA strategy) or have an implied accountability at the strategic level (communication, expectations' management). The HRIA in BT has been implemented mainly as a form of cost-reduction and efficiency gains but the scale of the expenditure on the many HR intranets and e-peopleserve, behoves HR leadership to make full use of these resources not simply at the administrative level.

Tensions appear to exist between cost reduction and development of strategic capability as raised in the practitioner and academic literatures. However, both can be achieved through capable business leaders, they are not an either/or propositions. Cost reduction only causes tension if HR accepts budget reductions below that with which the appropriately required services can be provided. For instance, the situation in BT appeared to show uneconomic HR:staff ratios that did not necessarily provide better service; almost every HR role across each BT company was duplicated together with, in the case of the HR intranet, each HR intranet manager, repeating the same activities. There was no top-level guidance or requirement for the same standards or any sharing of best practice so that time, learning curve and other resource requirements were unnecessarily steep. Also many inefficient procedures were noted, which could be started on the intranet but then forms, had to be printed off and manually processed such as reporting back from sick leave, appraisal and internal recruitment. It appeared that other substantial cost reductions could be achieved, some of which could also result in improved services by effective analysis of the situation.

Unfortunately, "reducing costs" appears to have become one of those terms that everyone uses as an excuse without really understanding why it is needed and how it can be achieved. Given that this multi-billion pound high-tech telecomms company is no different in its capabilities (and this researcher has seen similar wasteful and inefficient practices in both larger and smaller organisations many lauded as excellent), it again highlights the long journey still to be taken before HR "business mastery" is accomplished.



As with any change or initiative, implementation either collectively across the HR field or within different organisations, may be of varying quality - it may be problematic, piecemeal, ineffectual, successful, readily accepted or the answer to HR's search for its own Holy Grail. It is important that academic research is also at the forefront, not simply to conceptualise "wanna-be" but unrealistic scenarios for the greater good of HR status, but rather the provision of "how" answers through empirical and theoretical exploration, together with a concerted academic/practitioner collaboration to develop the requisite understanding, capabilities and skills of those in HR to be perceived as at the forefront of business contribution to success rather than the appearance of always trailing behind. Given HR's role in the organisation and its focus on the people within it, ICT provides HR with a superb tool to assist in the achievement of its strategic goals. It also provides top-level HR with a basis on which to demonstrate the HR function's criticality to the business in several ways.

Thus, from the findings of this research and the wider implications of the conclusions, it is recommended that HR consider undertaking the following actions to optimise the impact of an HRIA and enable it to be perceived as an indispensable part of the organisation's culture:

1. develop HR strategies which incorporate ICT and a customer orientation into every aspect as appropriate enabling HR resources and capabilities – financial, human, marketing, communication methods, logistics and so on – to be most effectively deployed and appreciated. Communicate them throughout the organisation;
2. devise and implement one standard for every aspect of the HRIA service provision and ensure this is maintained;
3. education and training of HR teams (from the HR Director down) and the provision of motivation through leadership by example, so that other users can see the HRIA regarded as a high-quality essential tool;
4. provide top management with HR ICT development and support enabling them to access key information for increasing their own role effectiveness and decision making;
5. optimise the balance between human and technological HR service provision according to internal customer requirements and organisational resources;
6. in connection with internal customers (as individuals and in groups e.g. disabled employees, accounts department, Health and Safety representatives) and organisational requirements identify and implement appropriate HR intranet developments including appropriate personalisation features;
7. actively manage the expectations of all HR constituents regarding HRIA issues, particularly to ensure there is understanding and acceptance of reasons why any expectations might not be possible to achieve in a given timescale;
8. monitor and assess all HRIA performance, quantify where possible and widely publicise it, noting improvements and benefits to users/groups/organisation.

The HRIA employee value proposition will only be understood and appreciated if there is clear evidence, pro-actively provided by HR that it is achieving what every employee, at each level, values. The implication of this recognition will be its contribution to the



acceptance of the criticality of the HR function to the organisation and its right to that seat on the Board.

7.13 EVALUATING THE RESEARCH QUALITY

The appropriateness and rigour of research methods has been identified as an important consideration for increasing the impact of studies in the management field (Scandura and Williams, 2000). The quality criteria for realist research has been encapsulated by Healy and Perry (2000) and is appropriate for an evaluation of this study. Table 7.1 uses this framework for guidance in identifying the achievement of the quality factor.

Table 7.1: Quality Evaluation of this Research

CRITERIA	EXPLANATION	EVIDENCE
<b>ONTOLOGY</b> 1. ONTOLOGICAL APPROPRIATENESS	Deals with complex social phenomena involving reflective people	<ul style="list-style-type: none"><li>• investigated factors relating to individual HR customer and supplier expectations</li><li>• linked achievement of expectations with satisfaction outcomes</li><li>• explored connections between discrete HRIA aspects and overall satisfaction</li><li>• probed discrepancies between HR customer and supplier perceptions</li></ul>
2. CONTINGENT VALIDITY	About generative mechanisms and the contexts that make them contingent	<ul style="list-style-type: none"><li>• covered different reflective participants at management level, either HR customers or suppliers</li><li>• included several contingent contexts – BT, e-pl, HR, BT divisions</li><li>• interviewed focus on reasons for responses</li></ul>
<b>EPISTEMOLOGY</b> 3. MULTIPLE PERCEPTIONS OF PARTICIPANTS AND PEER RESEARCHERS	Neither value-free or value-laden, rather value-aware	<ul style="list-style-type: none"><li>• multiple sources of evidence used</li><li>• over 65 interviews carried out</li><li>• participant verification of transcript accuracy</li><li>• peer and supervisor involvement in checking the research analysis</li><li>• conference paper presentations and feedback</li></ul>



<b>METHODOLOGY</b> 4. METHODOLOGICAL TRUSTWORTHINESS	Extent research can be audited	<ul style="list-style-type: none"><li>• use of NVivo and other computer programs</li><li>• use of tables, charts, quotations and figures that summarise data</li><li>• all procedures fully described and visual evidence (where appropriate) provided in report</li></ul>
5. ANALYTIC GENERALISATION	Theory building rather than statistical generalisation (theory testing)	<ul style="list-style-type: none"><li>• this research is theory building</li><li>• conceptual framework developed before data collection</li><li>• developed interview guides to provide data</li></ul>
6. CONSTRUCT VALIDITY	Use of appropriate operational measures for the concepts being studied	<ul style="list-style-type: none"><li>• extensive use of prior theory from relevant fields</li><li>• detailed presentation of different measures used</li><li>• use of case study database</li><li>• use of both qualitative and quantitative methods</li><li>• triangulation demonstrated</li></ul>

Source: Compiled by author using Healy and Perry (2000) framework

7.14 CHAPTER SUMMARY

This chapter has attempted to draw together the findings and theoretical connections from Chapters Five and Six. An explanatory model is proposed and the discussion sections of this chapter are presented around the combinations of key factors, both overarching and individual, identified within it. The specific research questions and issues identified from the pilot are answered. From this discussion of the findings, literature, proposed model and research questions, associated propositions to test within further research the outcome of this single case, were developed and explained. The wider implications of this research were also suggested. In addition, the criteria for the judgement of quality in realist research were considered in relation to this study and evidence of the achievement of each requirement was presented.

The next and final chapter provides the conclusion to the thesis. An overview of the research is provided, together with the key findings and conclusions of the study. The academic contribution to knowledge and the implications of the findings for practitioners are presented. Limitations of the research are also considered, together with the identification of recommendations for further research.



## CHAPTER EIGHT: RESEARCH OVERVIEW AND CONCLUSIONS

### 8.1 RESEARCH OVERVIEW

The aim of this thesis was to explore the impact that the use of HR Internet applications had on managers' satisfaction with the HR function, using role theory to underpin the research. The literature review revealed that, while there were a number of different theories from the marketing and ICT fields that provided perspectives on certain relevant aspects such as service quality (Zeithaml et al., 1993) or information satisfaction (Wang, 1998), there was no appropriate theory that adequately reflected the scope of this study. Role theory was used to underpin the research, but within this field too there were no specific hypotheses appropriate for the nature of this exploratory study. There was however, a useful range of relevant role theory concepts such as role expectations or role development together with their associated literatures that could be used to compare against specific findings within this single case. By focusing on the particulars of the research context, so were gaps identified in the role literature (Turner, 1986); Rodham, 2000) able to be addressed at the same time.

In addition, the HR discipline as the focal area of interest currently produces little theoretical or empirical research that considers HR's relationship with its internal customers from the perspective of its use of a support tool such as Internet technology and the interconnections between the tool and the relationship. Consequently, this study adopted an exploratory theory building approach as opposed to theory testing, using an initial conceptual framework developed from the literature to guide the design and analysis, but not to limit the examination, of the data. The research was carried out using a realist approach to social enquiry and it is argued that in order to understand the managers' satisfaction with a service provider, the HR function, from using a technology supplied by them, it is important to understand the roles, expectations and different perspectives of the key actors involved in the HR customer/supplier relationship.

Two overarching research questions were developed. The first considered the nature of the impact of managers using a support tool, the HRIA, on their perceptions of satisfaction with HR as the support tool provider. Secondly, once the first had identified what factors and issues the impact encompassed, the next question sought to explore how the HR function and the managers themselves could further improve this satisfaction.

The methodology concentrated on the individual manager as the unit of analysis and used the in-depth single case study approach to identify the factors that influenced expectations and satisfaction within a specific organisational and functional context. The data were collected using structured, open-response interviews (King, 1997) with the key actors, managers as HR customers and HR suppliers. Extensive documentation was collected from the organisation and observation of the use of the HRIA was also carried out. The data gathered were coded and analysed using a QDA software package, NVivo 1.3. A pilot study was carried out and this identified six issues, in addition to the



two research questions, for further exploration in the main study. Finally the research findings were evaluated in the light of the existing literatures on role, HR, marketing and ICT. The purpose of this analysis was to provide a theoretical validation of key aspects of the findings within a broader context. From this discussion, a model has been suggested together with corresponding propositions.

The objective of this final chapter is to present a summary of the conclusions from the main study findings presented in the preceding chapters of this thesis and address the achievement of the aims of this research as identified in Chapter One. The next section demonstrates a key requirement of the PhD assessment, the originality and supported contribution to academic knowledge of this study. In addition, implications for practitioners in the HR field are presented. The limitations of this research are also identified and suggestions are given for further investigation into this topic.

## **8.2 RESEARCH CONCLUSIONS**

The following sections, 8.2.1 and 8.2.2, summarise the specific conclusions reached from the discussion of the research findings in Chapters Six and Seven and their appliance to answering the research questions in section 7.10 and showing how these conclusions were derived. This enables the reader to have a clear brief overview that can then be related to the next section without the requirement to return to Chapter Seven and read through more extensive material.

### **8.2.1 Research Question 1:**

**What is the impact of the use of HR Internet applications on managers' satisfaction with the HR function?**

This first research question aimed to:

*i) identify whether there was any impact on managers' satisfaction with the HR function from using an HRIA supplied by them;*

A strong impact, previously unrecognised in HR literature, was found on managers' satisfaction with the HR function from the use of the HRIA. The predominant impact was positive, so that if managers' HRIA expectations were perceived to have been met and they felt satisfied with the HRIA, and perceived that their satisfaction with HR had also increased. An inverse impact was also shown so that managers who perceived that their HRIA expectations hadn't been met and they were dissatisfied with the HRIA, felt that their satisfaction with the HR function had decreased.

*ii) explore what factors may affect the expectations and resulting level of perceived satisfaction/dissatisfaction with the HRIA;*

Nine factors, which may affect managers' HRIA expectations, were identified. These appeared to fall into two distinct categories. The first, influencing factors, comprised



organisation context, current role, personal characteristics and experience. The second category known as aligning factors included communication, involvement in HRIA developments, HRIA training, HRIA internal marketing and HRIA feedback.

*iii) ascertain the impact that the outcome of ii) may have on managers' perceived satisfaction with the HR function;*

The influencing factors category contained those items, which appeared to affect participants' expectations, but of themselves could not be used to reduce the large expectation gap found to exist between HR customers and suppliers. The aligning factors category comprised activities which could also enable expectations to be managed by the other party, produce expectations that were more realistic and reduce the expectation gap between managers and HR suppliers.

*iv) explore any differences in responses between managers and HR suppliers.*

Significant differences in responses between managers and HR suppliers were found in both the quantitative content analysis as well as the accompanying comments. As mentioned in iii) a large gap was identified which related to the incongruent expectations existing between HR customers and suppliers as well as a lack of awareness and understanding about the other group's own expectations of them. In addition, a second gap was also revealed which highlighted the disparity in the perceptions of the two groups relating to perceived achievement of HRIA expectations, managers' satisfaction with the HRIA and the perceived impact on satisfaction with the HR function.

The outcomes from the first two findings are as follows:

*a) When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to feel satisfied with the HRIA.*

This statement was supported as was the inverse negative effect on HRIA satisfaction if expectations were perceived not to have been met.

*b) When managers' expectations of HR Internet applications were met or exceeded, they may be inclined to perceive that the HRIA has increased their satisfaction with the HR function.*

This issue was also supported together with the inverse negative impact of a decrease in satisfaction with the HR function if HRIA expectations were not met.

## **8.2.2 Research Question 2:**

**How can managers' satisfaction with the HR function be improved by their use of HR Internet applications?**

The second research question sought to investigate the actions that:



*i) the HR function could be recommended to take to improve managers' perceived satisfaction with HR from their use of HRIA.*

The key factors identified from the research include the two overarching and inter-related activities of effective communication and the management of expectations to be set in motion by the third key factor, action-oriented HR leadership. Both encompass the implementation of two-way interactions using a selection of appropriate media and formats. These formats also include the remaining aligning factors - training, involvement in HRIA developments, HRIA internal marketing and feedback with appropriate action.

*ii) managers could be recommended to take in order to increase their perceived satisfaction with the HR function.*

Managers share the responsibility for being masters of their own fate and in order to improve their ability to use and gain value from the HRIA with a positive effect on their satisfaction with HR, they should not be reactive but rather make use of the aligning factors to actively progress the achievement of their own expectations and requirements of the HRIA.

In addition, issues identified from the pilot study are summarised together since there was generally the same result.

*c) Where HRIA training provision was perceived by managers to be satisfactory, they may be inclined to perceive that their satisfaction with the HR function has increased.*

*d) Where customer involvement in the adoption/development of the HRIA was perceived by managers to be satisfactory, they may be inclined to feel that this has increased their satisfaction with the HR function.*

*e) Where the opportunities for customer feedback about the use of the HRIA and appropriate action taken was perceived by managers to be satisfactory, they may be inclined to feel this has increased their satisfaction with the HR function.*

*f) Where the internal marketing of the HRIA was perceived by managers to be satisfactory, they may be inclined to perceive this has increased their satisfaction with the HR function.*

None of the above issues identified from the pilot, were supported in the main study. However, all of the inverse negative versions were supported so that where managers had perceived the designated activity as unsatisfactory, the effect had been to decrease their satisfaction with the HR function. The issues of training and HRIA marketing in particular had strong negative effects with about 90% of dissatisfied managers in each category indicating a decrease in HR satisfaction. The HR leadership emerged as a key



factor from its lack of direction and action regarding the incorporation of these activities both into the HRIA strategy or the corporate HR strategy.

A model (Figure 7.1) illustrating the above conclusions was constructed and supported against existing theory. Accompanying propositions have also been developed for testing within further research.

### 8.3 ACHIEVEMENT OF RESEARCH AIMS

In summary, the aims of this research were to:

*a) explore and identify factors that appeared to influence managers' expectations and perceived satisfaction with the HRIA and the impact this might have on consequential satisfaction with the HR function;*

From a qualitative and quantitative content analysis of participants' responses and other documentary evidence, it was possible to explore all the factors mentioned and implied regarding influence on managers' expectations and their satisfaction with both the HRIA and the HR function. The result has been to group these under nine specific headings (sections 7.4.1-4; 7.6.1-5) and divide them into two categories (7.4; 7.6) distinguishing between those which influence expectations and those which not only influence them but can be used to align the expectations so they are more realistic. Consequently, this aim has been achieved.

*b) investigate the nature, possible causes and implications of any differences of perception found between individuals and/or groups of individuals of the research population;*

Analysis of the findings has enabled two significant gaps to be exposed. The first is an expectation gap based on lack of awareness and understanding about other group's expectations, and the second is a perception gap based on differing perceptions about the achievement of managers' expectations and their satisfaction with the HRIA and the HR function. These gaps were found to exist between three main groups - HR suppliers and the managers; within the HR function between Group HR, divisional HR and the external HR provision through e-peopleserve; and between the BT divisions.

The key reasons appeared to relate to three factors – a lack of effective HR leadership resulting in amongst other concerns, inconsistency of HR service quality so that it seemed almost individually based; a lack of communication about the HRIA between the three main groups; and a lack of proactive expectations' management. The implications of this situation appear to be the existence of two gaps of considerable width and an overall strength of satisfaction about the HRIA that seems to be somewhat weak as well as a strong negative perceptions about issues c-f concerning training, involvement, marketing and feedback. This objective has therefore been achieved.



*c) explain the mechanisms and social structures that are related to the provision and usage of HRIA services by providing an in-depth understanding of the relationships between the factors identified in a) and b) above;*

The use of both quantitative and qualitative methods has enabled a more complete and accurate picture to be developed. Content analysis has been used in this research to assist in the identification of specific characteristics of the responses systematically and objectively (Mostyn, 1987). The extensive use of quotations in the findings' chapter, while increasing the research's methodological trustworthiness (Healy and Perry, 2000), has also facilitated a greater understanding of both the respondents' perspectives and the exposure of underlying attitudes towards the issue being investigated and the parties involved. In addition, Chapter Five provided essential background detail to BT's organisational situation so that the factors identified in a) and b) could be considered in context thus assisting in giving the data meaning (Mischler, 1979) and the explanations, about the mechanisms and social structures that are related to the HRIA, greater validity. This objective has duly been fulfilled.

*d) propose a model that enables academics and practitioners to understand the organisational requirements that may affect the expectations, use of and satisfaction with HR services provided through the medium of Internet technology and the HR function itself;*

Two versions of the model have been produced. The first (Figure 7.1) graphically illustrates the outcomes of the research in explaining the relationship between HR suppliers and the managers in relation to their expectations of the HRIA and perceptions of achievement of HRIA expectations, satisfaction with the HRIA and the impact on satisfaction with HR. The second model (Figure 8.1) suggests the aforementioned explanation in relation to the wider organisation and technology use. The propositions from this model repeat those found on pages 263-269 for the HR context with more generic terminology used. Thus, the focus is placed on the relationship between an ICT application, the ICT application service provider and the internal customers (in total or as a designated group or level). The aim is to present a more flexible model for further research in areas not specific to HR. This aim has thus been completed.

*e) develop key propositions from the model for testing in further research.*

Following explanation and justification of the HR/manager model, ten main propositions have been developed. In addition, to accompany the general model these propositions have been adapted to enable more flexible testing according to populations and technology being investigated. This final aim has also been achieved.

## **8.4 CONTRIBUTION TO THEORETICAL KNOWLEDGE AND FUTURE RESEARCH**

The contribution of this research adds to the existing body of knowledge. The primary focus of interest is the HR field with secondary concern for the underpinning role theory and the internal marketing and ICT fields, which were of direct relevance to the research topic. Many of the contributions identified in HR also apply concurrently in



extending the literatures of these associated fields of internal marketing (which includes internal customer satisfaction, internal services and service quality literatures), role theory (in relation to role expectations) and ICT (which also encompasses the Internet, CMC and user satisfaction literatures). There will be some repetition because of this, but in the associated literatures, the identification will mainly concentrate on the significant contributions beyond those, which simply add another empirical example, to an already well-trodden research topic.

#### **8.4.1 To the HR Field**

This research contributes to knowledge by providing academics and practitioners with a detailed and original explanation for the impact that the use of HR Internet applications can have on managers' satisfaction with the HR function. Firstly, ICT is posited as one of the key contextual factors to have the most profound effect on the HR function (Brockbank, 1997), yet to date there has been minimal theoretical and empirical HR research undertaken in this area. Where studies have been carried out, it is usually from the perspective of HR ICT proficiency. This research is one of the first, which investigates multiple perceptions of an ICT support tool, a focus that has been identified as an area lacking in the HR arena (Ferris et al., 1998).

In addition, there are as yet few academic empirical studies on the impact and use of Internet technology within organisations, and fewer still within the HR function. A valuable contribution of this research is the extension of HR theory on the impact that Internet technology, as a support tool and distribution channel for the provision of HR services, can make to the internal clients of the HR function, as well as the impact this may have on the HR function itself. HR technological mastery (Kossek et al., 1994; Snell et al., 1995; Cabrera and Bonache, 1999; Ulrich, 2000) has been identified as an important facet of HR's role in the organisations, yet the recognition of the impact which technology can have beyond the administrative areas of HR has so far been limited to that of a few visionaries with little empirical evidence to support the rhetoric.

A number of the perspectives explored within this issue also provide a contribution to knowledge. Thus, the inclusion of a wide range of items relating to satisfaction with the HRIA that has encompassed technological, information content and support factors, which are often investigated as one or a few items in a single study, appears to be the first time that such a detailed examination of HR ICT satisfaction has been undertaken. This is important because even from the perspective of only one or two factors, there has been little academic HR ICT user satisfaction research at all. Furthermore, the participation and comparison between the perceptions of HR customers and suppliers regarding an HRIA and the provision of quantitative frequencies of item scores compared to accompanying comments explaining the reasons for the choices and opinions, enables future HR ICT researchers to work from a detailed base of rigorous empirical and theoretical findings.

The inclusion of category linkages as applied in this research also appears to be unique, not only in the HR field but also that of ICT, marketing and role. The contribution is strengthened because the summation groups are not taken to provide the overall



satisfaction rating as in a number of quantitative studies (Doll et al., 1994), but are used as a form of triangulation through cross-verification to identify a “profile-fit”. Where the profile does not fit, the underlying reasons for choices, and further trends, are revealed using the participants’ own quotes.

Secondly, the research also builds on the limited use of role theory within the HR field, for although there is much debate about the role of HR, except for a few studies (such as Tsui, 1987; Russ et al., 1998), this has most often not included role theory. Thus, this study provides an up-to-date consideration of changing managerial and functional roles and the influence that this has on consequent role expectations. It also identifies the impact that a support tool such as HRIA can have on the achievement of these mutual expectations. The expectations by HR professionals of managers are compared with the expectations that managers, as internal customers of HR, have of the HR function. Thus, this research also contributes to the understanding of the implications and effects of role expectations on specific aspects of the HR customer/supplier relationship, such as role ambiguity or internal communication relating to the provision of HR services using Internet technology, and how this can be most effectively optimised.

Thirdly, the HR literature has long been criticised for its relative silence on HR's customers' perceptions (Skinner and Mabey, 1997; Ulrich et al., 1997; Barney and Wright, 1998; Clark et al., 1998; Bacon, 1999) and there is an increasing need for more research which compares the responses of those who are responsible for developing and overseeing HR activities with those who experience them, to identify levels of agreement about the effectiveness (or not) of their operation (Guest, 2001). With the number of different perspectives outlined above, this research provides a substantial contribution not solely because of its' customer focus but importantly the comparison it provides of the managers' responses with those working in HR in a seemingly "partnership" situation. In addition, it increases and changes our understanding, previously unrecognised, of how a support tool can effect perceptions of the HR function and the wider implications this has for HR's search to demonstrate its organisational importance.

A further contribution is also made to the HR field through explicating a theoretical basis for the empirical findings. Historically, as research in HR has been relatively new, studies have not had the benefit of a richly developed theoretical base to build upon (Ferris et al., 1998) and HRM has been criticised for its atheoretical origins, so this research valuably adds to the body of HR theoretical knowledge. Furthermore, the study presents a new model and propositions for future empirical testing so providing the foundation for the creation of further HR theory.

This study also contributes important empirical evidence in a number of areas and in particular:

- the expectations and perceptions of HR customers at the managerial level both towards an HRIA and the HR function;
- the expectations and perceptions of those in HR regarding the viewpoints of their internal customers;



- the recognition of the existence of expectation and perception gaps between HR and managers;
- the identification of influencing and aligning factors which can shape expectations and in the case of the latter category, be used to manage expectations and reduce these expectation and perception gaps;
- the nature and possible impact of an HR customer orientation in an organisation;
- evidence of the lack of involvement at senior HR levels in using an HRIA to provide HR services;
- the effect of communication about the HR Internet applications on managers' satisfaction; and
- the impact that the use of the HRIA has on managers' satisfaction with HR.

These empirical findings contribute to the literature surrounding HR customer relationship management (Collins and Payne, 1994; Ulrich et al., 1997) and communication (Sims, 1994; Wright et al., 2001). The communication element in relation to HR customers and in general, has consistently been exposed as an area of HR weakness (Buckley et al., 1998; Gibb, 2001) even where strategic communication is concerned (Skinner and Mabey, 1997). This in-depth study of the impact communication appears to have on the topic contributes to these important literature streams in developing the understanding of key aspects for consideration in the provision of an HRIA to provide HR services and locates specific actions which appear important if HR is to change.

A contribution is also made to the literature on HR leadership. This study has supported several previous findings concerning areas of HR weakness in its quality of leadership such as communication, alignment to business objectives, and internal customer focus (Mabey and Skinner, 1997; Ulrich et al., 1997; Barney and Wright, 1998). In addition, the research has identified the key aspects which HR leaders are recommended to consider in order to gain more value from the use of ICT for the delivery of HR services.

Finally, within the HR field, a realist research strategy is unusual since the dominant epistemological approach is positivism (Clark et al., 1998). The realist perspective enables an in-depth study of the mechanisms and social structures that explain social phenomena, which as a result was able to elicit a model that helps to understand and explain the impact of the use of the HRIA on managers' satisfaction with the HR function, avoiding the HR positivist requirement for certainty tied to prescription (Mabey et al., 1998). Although case studies have been extensively used in HRM research (Hallier, 1993) the emphasis has also been on large samples and multivariate statistical analysis (Guest, 2001). This study has focused on a single case with a population of 60 managers in order to explore in considerable depth the underlying explanations for participants' responses and attitudes. This research therefore, makes a methodological contribution to HR knowledge both in its use of realism as a philosophical perspective and the single case study strategy.



### **8.4.2 To Role Theory**

This study also contributes to the role theory literature through its use as the underpinning theory for this study. While there has been some role theory research that considers context as an influencing factor on role concepts, behaviour and the nature of interrelations, there is little examination of the conditions under which these relationships exist (Turner, 1986; Rodham, 2000). This research in its investigation of the contextual influences and its recognition of the combination of an individual's current role, their historical role experiences with HR and the organisational context in shaping role expectations extends the work of those such as Fondas and Stewart (1994), Gilbert (2000) and Rodham (2000). In addition, the identified linkages between expectations being met, satisfaction with a support tool and its impact on satisfaction with the support tool provider is an important connection to be made, particularly in relation to the literature which seeks to link role theory to the services field where the satisfaction outcome of the role relationship is an important goal (Broderick, 1999).

The frequent use of a literature review in much of the role theory literature with limited development of any proposals for progressing a particular aspect without any empirical testing (Turner, 1986), provides the basis for a further contribution of this research in that the model and propositions have been based on methodologically trustworthy empirical research and so provide a strong foundation for the development of further role theory related research.

### **8.4.3 To the Internal Marketing Field**

A contribution to knowledge is also made in the field of internal marketing since its theory has been extended through one of the first studies to consider customers' use of an ICT support tool and the impact this has on the customers' satisfaction with the support tool service provider. The majority of the different marketing literatures limit their focus to expectations/satisfaction with a service or a service provider with only peripheral consideration of a support tool being used to provide that service.

In addition, a further contribution has been made by the identification of the origins of these internal expectations and perceptions, recognised as an area where further research was required in Webb, (2000). Although the resulting expectation and perception gaps between internal customers and suppliers build on limited previous research (Brown and Swartz, 1989; Hubbert et al., 1995; Luk and Layton, 2002), this study explores this phenomenon from a tripartite, as opposed to a bipartite, perspective, of which there is even less consideration in either the internal marketing and ICT fields. However, this research has also uncovered another gap not previously identified in Parasuraman et al.'s (1985) original five gaps or later additional gaps found (Lewis and Morris, 1987; Luk and Layton, 2002). Thus, the gap between customer (manager) perceptions of service delivery with what management (HR) perceived to be customers' (managers') perceptions of service delivery and the elucidation of what this means, identifies an important contribution to the internal marketing theory in the first instance, as well as to the HR, ICT and role literatures.



The way this research was implemented provided an alternative to the SERVQUAL method (Parasuraman et al., 1985) with a complete audit trail. This research further contributes to the marketing literatures in its development of a method and model, which seeks to explain how internal suppliers can manage expectations and perceptions and improve satisfaction with both the support tool and the service providers. The model and suggested propositions also furnish opportunities for theory testing and extension, based on rigorous empirical evidence from a new research method.

#### **8.4.4 To the ICT Field**

It has been recognised in the ICT field, that further research into the impact of an ICT and the individual is required (Torkzadeh and Doll, 1999), and since the focus of this study is the impact of an HRIA on individual managers' satisfaction, a contribution to the ICT and CMC literatures has consequently been made. Internet technology is also still a relatively new phenomenon and as yet there have been few theoretical or empirical studies carried out. This research then contributes to extending the ICT and CMC literatures in the provision of both examples for consideration. For instance, much of the new Internet related research uses models and theories from the ICT literature. This research has developed a method of investigating the phenomenon that has previously not been used and this was specifically geared towards the internal context and locating the factors important regarding the internal use of the Internet technologies. On one hand this has served to confirm aspects already noted as important of ICT success such as involvement in planning (Hartwick and Barki, 1994; Brooks et al., 1999; Lin and Shao, 2000) but it has also revealed the reasons why, together with the impact this has had on customer satisfaction with the ICT service provider. This has also extended to communication, training, feedback and internal marketing of the ICT and is a significant contribution to the respective literatures.

A further contribution has been accomplished through its investigation of the inter-relationships and implications of the use of an ICT between users and the ICT service provider. Most of the different ICT literatures limit their focus to expectations/satisfaction with an aspect of the technology or information content with minimal, if any, consideration of its impact on satisfaction with the ICT service provider. This tripartite focus compared to often a bipartite one also contributes to the ICT and CMC theory.

The composition of a wide range of items for different aspects of the HRIA provides another contribution to knowledge, as this appears to be the first time that such a detailed examination of ICT satisfaction has been undertaken at the following two levels. The first is the participation and comparison between the perceptions of users and suppliers regarding an Internet application. This research thus provides useful evidence for the perceptions of experienced users with a reasonably mature ICT (in comparative organisational terms), which could be used to provide comparison for future researchers investigating companies at similar or markedly different stages. The second, provides quantitative frequencies of item scores compared to accompanying comments explaining the reasons for the choices and opinions, which is unusual in the ICT field where often summations of individual items equate to overall satisfaction



(Doll et al., 1994). It thus serves to provide a more complete perspective and understanding of the specific situation being investigated.

Historically, ICT research approaches have favoured positivism within the US and a more interpretivist focus in Europe (Galliers, 1997). Use of realism, which fits between the polar extremes of these two approaches (Benton, 1981), in an ICT study allows a "scientific" perspective (Orlikowski and Baroudi, 1991) to be taken while at the same time focusing on the underlying mechanisms and social structures that generate social phenomena in order to produce an explanatory model. This study then also makes a methodological contribution to the ICT field.

## **8.5 IMPLICATIONS FOR PRACTITIONERS**

The findings of this research have a number of implications for management practice.

In the first instance, the study provides evidence for the first time that use of an HRIA can actually have a substantial impact, both positively and negatively, on managers' satisfaction with the HR function. This affords the practitioner a new perspective from which to install or develop Internet applications and an incentive to ensure that at each stage customers' expectations and priorities are addressed. It is likely to motivate those in HR to contemplate adapting to a more customer-focused orientation and the inclusion of HRIA in its strategies.

The recognition of a category of influencing factors will enable HR practitioners to examine the situation of these items within their organisation and of the individuals they serve. It also behoves them to look at the contents of each item to recognise the affect it has, or could have, on managers' expectations together with the mechanisms, such as HRIA marketing, which can be used to mould expectations accordingly.

Secondly, the study presents a detailed analysis of the differences of perception that may exist between HR and managers in relation to an HR intranet without the benefit of proactive expectation management on HR's part. The exposure of the possible misconceptions, negative attitudes, assumptions made of one party by the other, and the ripple effect on managers' satisfaction (or HR suppliers' assumptions about managers' satisfaction) towards both the HRIA and the HR function, motivates HR to reduce the expectation gap and its impact through effective communication and expectation management.

In the third place, the identification of the aligning factors and their possible impact towards:

- moving both manager and HR expectations to a realistic level;
- reducing the expectation and perception gaps between the two as mentioned above;
- developing a more effective customer and supplier relationship;
- optimising the provision and use of the HRIA and improving satisfaction with both the HRIA and the HR function.



These considerations provide a substantial reason for at the very least considering their possible implementation.

For HR managers and directors, the study also provides a method for the development of the HR role especially at the top level, which additionally may help to increase the profile of both HR and the HRIA. HR practitioners might also want to focus their attention on the quality and outcomes of their communication systems. This includes consideration of the extent of the impact, which expectations can make. In addition, the appropriateness of the communication media for differing activities and a balance of channels, as resources allow, is suggested to allow an element of customer choice and the perception of HR responding to customer needs because of this. Blanket messages in an era of information overload dull the impact of the sender and build resistance on the part of the receiver.

Thus, recognition within the organisation of the value added services that HR provides through its appropriate and effective mixture of human and machine interaction should increase. The research also identifies specific areas for HR skill development as well as key activities where HR needs to improve as part of the process of refining and consolidating their own role and position within the organisation.

## **8.6 LIMITATIONS OF THE STUDY AND OPPORTUNITIES FOR FURTHER RESEARCH**

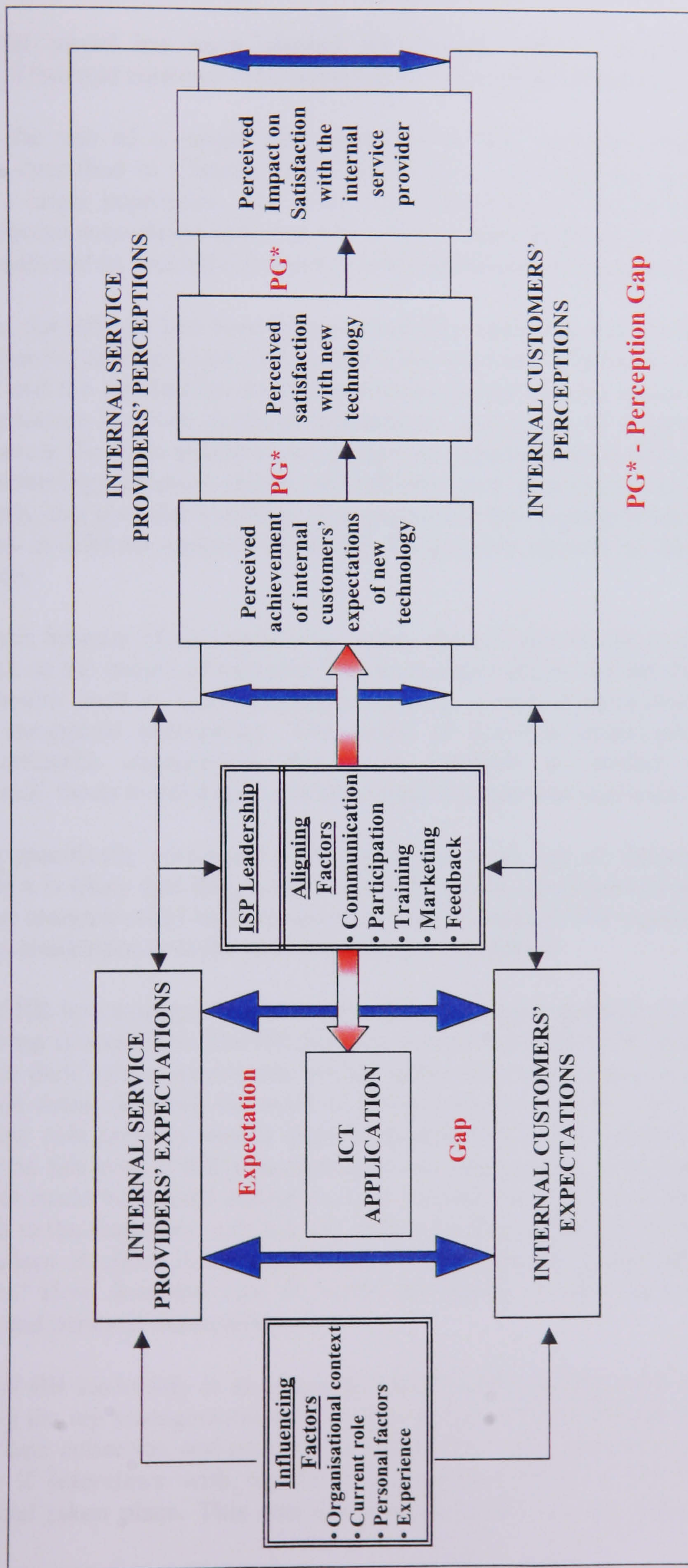
Within all research there are limitations to be considered from a number of perspectives as well as the identification of opportunities for research activities.

First, this study has concentrated on and developed a model of the impact that the use of HR Internet applications can have on managers' satisfaction with the HR function. As Zinkhan and Hirschheim (1992) acknowledge, because the models represent only what we know of the world and such knowledge is inherently flawed, they cannot duplicate the world as they are composed of abstractions and oversimplifications. In addition, the items selected for exploration for different aspects which could affect levels and impact of satisfaction were uniquely adapted from a range of theories and research studies across the HR, marketing and ICT literatures. Other approaches to researching this topic may be more effective and could include accepted testing of accepted theories within the topic parameters, now that the original exploration has been completed. Thus, future research, given the benefit of other methodologies and larger samples might also employ data analysis techniques that can more clearly highlight the causal relationship of the variables being investigated.

The model and propositions developed are based on exploratory single case research. There is a clear need for testing them and confirming the model through empirical, confirmatory studies which can help identify the relative importance of the significant constructs. For instance, factors such as role tenure (Kakabadse, 1991) have been identified as a possible contextual influence that may shape individual and functional expectations, but the findings were not able to identify any discernible patterns and comparisons can only be made when future research in this area is carried out.



**Figure 8.1: The Impact of an ICT Application on Internal Customers' Satisfaction with the ICT Application Service Provider**



*Source:* Compiled by author



The original model has been adapted for a more general internal ICT service provider/ICT/internal customer relationship to be investigated (Figure 8.1).

Secondly, the use of a single case approach to this research, while having the advantages described in Chapter Four, section 4.3.3, prevents any generalisation of results to a larger population. The study was centred on BT in the high-technology oriented telecommunications industry with a further specific focus on the HR function, an HR intranet and its internal relationship with individuals at managerial level.

In addition, the intranet had been implemented five years ago and all the respondents were experienced Internet users. It is possible that there are differences in the provision of an ICT and the satisfaction internal customers perceive to be achieved both in the same organisation between different departments and levels of employees; between organisations in the same industry sector; between organisations in different industries; between technology adoption phases and between new employees and Internet users. Consequently, this provides a number of opportunities for research to test the model and propositions in different contexts to identify the possible impacts on the results of this investigation.

This research because of its exploratory nature did not specifically look at individual aspects such as the impact of personal factors on expectations and satisfaction. Internal personal aspects such as extroversion/introversion, optimism/pessimism, are likely to influence managerial perceptions. The nature of previous experience appeared to strongly influence expectations but more research is needed into personal characteristics' factor to determine specific causal linkages that may exist.

This study specifically investigated the managerial level, but as Jackson and Schuler (1992) note it is likely that HR practices are different for employees at other levels and thus, further research could be undertaken at strategic, operative or supervisory levels to identify any similarities or differences in patterns of responses.

In terms of HR-line manager relations, generating findings regarding the perceptions of the two groups is important. The HR function was not considered by some managers as important to their role beyond some limited administrative factors (correct salary paid on time) and some identified the work of HR as a hygiene factor. Only if HR did not perform their role properly would there be dissatisfaction but satisfaction would not necessarily be felt even if HR's performance met expectations. This identifies several issues which could be studied further such as whether the perceived importance of the relationship to the managers' role has any impact on their expectations, or at what level of impact does it effect these expectations – does greater importance increase the expectations? How does this then fit within the jigsaw of other factors such as past experience and personal characteristics?

The issue of HR leadership is an important one but this research was not specifically investigating the top management level, so this may be a further limitation of this study in that the data collection and resultant findings could have provided a more rounded perspective if interviews with top level management (both as HR customers and suppliers) had taken place. This was not possible in BT but for further studies, this



would be a useful addition to identify the perceptions of those at the top level and if similarities such as expectations and perceptions gaps are still found.

Because of the nature of the findings concerning the five aspects identified as aligning factors, it would be of use to investigate whether their appearance as hygiene factors is simply explained by the organisational context where because of the poor performance, there was very little satisfaction and no apparent impact on increasing managers' satisfaction with the HR function. The impact maybe, dependent on the results of further research, that these factors serve to decrease the dissatisfaction felt with HR.

## **8.7 LEARNING AS PART OF THE PH.D. PROCESS**

This thesis is the result of the Ph.D. personal development process of the last three years. When compared against the researcher's early written material produced as part of the Research Methodology course and review processes, it is possible to see the extent of the progress made concerning the development of research skills and understanding of the ways of the academic world. In addition, there has been considerable intellectual progression concerning the understanding of the influence of the chosen research philosophy to both the implementation of the study as well as to the production of this thesis.

With the benefit of hindsight, there were many activities, which could have been progressed differently, mostly concerning the essential administrative "housekeeping" activities such as the formatting of master and sub-documents, and the referencing of quotation page numbers. It appeared to be assumed that one was already aware of these requirements, but this lack of knowledge resulted in large amounts of time, perhaps unnecessarily, being spent. It reinforced however, the need for more comprehensive preparation to pre-empt possible future problems and not to rely on others (as in the Research Methodology course) to supply all the necessary information appropriate to the personal circumstances of each individual.

More importantly, however, the Ph.D. has enabled the researcher to become a more informed practitioner who has developed the building blocks for further growth in this area of personal interest on which hopefully to provide the foundation of a successful post-doctoral career in consultancy. In addition, **Appendix V** provides information about the dissemination of this research, which will raise the profile of this work and assist in the aforementioned career aim.

## **8.8 CHAPTER SUMMARY AND CONCLUSION**

This chapter brings the thesis to a conclusion in a number of ways. First, the research process and findings were summarised and the resulting contribution to the body of knowledge was presented. Second, some of the implications of the findings for HR practitioners were identified. Third, the limitations of the study were discussed with follow-up suggestions for potential areas for further examination to overcome these



limitations as well as recommendations for testing of the model and propositions developed from the findings.

In conclusion, this research has achieved its aims. The impact that the use of an HRIA could have on managers' satisfaction with the HR function has been recognised for the first time. The factors influencing managers' expectations and perceived satisfaction with the HRIA and the HR function have been identified and explored, as has the nature of the relationship and causes for differences of perception between the HR customers and HR suppliers. The connections between the identified factors have been explained and a resulting model has been constructed to illustrate these findings so that both academics and practitioners can understand the organisational requirements that may affect the expectations, use of and satisfaction with HR services provided through the medium of Internet technology and the impact this may have on perceived satisfaction with the HR function itself as the service provider.



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## APPENDICES

### APPENDIX A: INTERNET GLOSSARY

<b>Chatting</b>	Live, interactive conversations over a public network.
<b>E-mail</b>	Person to person messaging and document sharing.
<b>FTP</b>	Tool for retrieving and transferring files from a remote computer.
<b>Gophers</b>	A tool that enables the user to locate information stored on Internet servers through a series of easy-to-use, hierarchical menus.
<b>LISTSERV</b>	On-line discussion groups using e-mail broadcast from mailing list servers.
<b>Telnet</b>	Network tool that allows someone to log on to one computer system while doing work on another.
<b>World Wide Web (www)</b>	A system for storing, retrieving, formatting and displaying information which can combine text, hypermedia, graphics and sound.

*Source:* Laudon and Laudon, 2000: 294.



APPENDIX B: SUMMARY OF MIS SUCCESS MEASURES BY CATEGORY

System Quality	Information Quality	Information Use	User Satisfaction	Individual Impact	Organisation Impact
Data accuracy	Importance	<u>Amount of use/ duration of use</u>	Satisfaction with specifics	Information understanding	<u>Application portfolio:</u>
Data currency	Relevance	Number of inquiries	Overall satisfaction	Learning	Range and scope of application
Database contents	Usefulness	Amount of connect time	Single-item measure	Accurate interpretation	Number of critical applications
Ease of use	Informativeness	Number of functions used	Information satisfaction:	Information awareness	Operating cost reduction
Ease of learning	Usableness	Number of records accessed	Difference between information needed and received	Information recall	Staff reductions
Convenience of Access	Readability	Frequency of access	Enjoyment	Problem identification	Overall productivity gains
Human factors	Clarity	Frequency of report requests	Software satisfaction	<u>Decision effectiveness:</u>	Increased revenues
Realisation of user requirements	Format	Number of reports generated	Decision-making satisfaction	Improved decision analysis	Increased sales
<u>Usefulness of system: features and functions</u>	Appearance	Charges for system use		Correctness of decision	Increased market share
System accuracy	Content	Regularity of use		Time to make decision	Increased profits
System flexibility	Accuracy	<u>Use by whom?</u>		Confidence in decision	Return on investment
System reliability	Precision	Direct vs. chauffeured use		Decision-making participation	Return on assets
System	Conciseness	Binary use:		Improved individual productivity	Return of net income to operating expenses
Sophistication	Sufficiency	Use vs, non-use		Change in decision	Cost/benefit ratio
Integration of Systems	Completeness	Actual vs. reported use		Causes management action	Stock price
System efficiency	Reliability	<u>Nature of use:</u>		Task performance	Increased work volume
Resource utilisation	Currency	Use for intended purpose		Quality of plans	Product quality
Response time	Timeliness	Appropriate use		Individual power or influence	Contribution to achieving goals
Turnaround time	Uniqueness	Type of information used		Personal valuation of I/S	Service effectiveness
	Comparability	Purpose of use		Willingness to pay for information	
	Quantitativeness	<u>Level of use:</u>			
	Freedom from bias	General vs, Specific			



Recurring use  
Institutionalisation/  
Routinisation of use  
Report acceptance  
Percentage used vs.  
Opportunity for use  
Voluntariness of use  
Motivation to use

Source: DeLone, W.H. and McLean, E.R. (1992)



## **APPENDIX C: DOCUMENTS AND ARCHIVAL RECORDS USED DURING BT CASE STUDY**

The following list identifies the different documents and materials, either produced by BT or e-peopleserve, or commissioned by them, which were made available to the researcher.

### **BT**

- Annual Reports and Form 20-F 2000 and 2001
- BT Today (company newspaper) – various copies
- BT Group Investment Committee Paper: Formation of e-peopleserve Joint Venture with Andersen Consulting – May, 2000
- Various BT company publications to staff – e.g. Creating Value @BT Retail – December, 2000
- Organisation charts (various) – October, 2000 – February, 2002
- BT/e-peopleserve Pricing Review - 2000/2001
- Human Resources Website Survey Report - October, 2001
- HR Intranet Publishing Standards – 2001
- E-HR Strategy Document – July, 2001
- HR Intranet Strategy - 2000/2001
- Statistics on BT Manager Demographic Profiles – April, 2001
- BT Retail Employee Communications Strategy – 2001/2002
- Review of BT Retail Employee Communications Strategy – August, 2001
- E-Response Communications Awareness Survey and Report – September, 2001
- BT Retail Our Place To Work Webcast Feedback - 11 January 2002
- Human Resources Intranet Workshop (for BT Group CIOs) – 2001
- HR Intranet Page Hit Statistics Report – August, 2001; February, 2002
- The Intranet in BT: Principles for Evolution - 2002
- Printed material from BT Group Intranets and Internet sites

### **e-peopleserve**

- Business Plan – April, 2000
- BT/e-peopleserve Service, Pricing and Operating Standards - 2000
- Human Asset Benchmarks 2000 (HR and Development Services Benchmarking and Research Project)
- Human Resources Business Process Outsourcing: A Market Overview and Service provider Analysis – September, 1999
- Demand Analysis of Integrated, Multiprocess HR Outsourcing – September, 1999
- Powerpoint e-peopleserve presentation (Marketing) – February, 2001
- Organisation charts (various) – January, 2001 – December, 2001
- Peopleline Customer Satisfaction Tracking Monthly Report – various
- Printed material from e-peopleserve web sites



## **APPENDIX D: PROTOCOL USED FOR INITIAL CONTACT MEETINGS WITH BT AND E-PEOPLESERVE**

### **1. Overview of Ph.D and access requirements**

- Information about requirements of Cranfield Ph.D.
- Background information about research topic, aims of the research, details of case study method, benefits of research to BT
- Required access - companies, contacts, time and assistance requirements of contacts, introduction into BT/e-pl
- Numbers and types/level of participants, selection of participants, time requirements
- Timescales for pilot and main studies
- Interview guides
- Documentation required (see point 4)
- Observation requirements
- Completed research report availability

### **2. Main contact information**

- Main contact's role, extent of availability and assistance
- Expectations of main contact, and any queries

### **3. Terms of relationship**

- Participant confidentiality
- Company confidentiality - Ph.D./publications and conferences
- BT/e-peopleserve confidentiality agreements
- Payment for work by researcher outside of specific Ph.D. requirements
- Expenses - for travel
- Copyright ownership

### **4. Information and documentation required – BT and e-peopleserve**

- Background information on BT/e-peopleserve
- Details of range of BT and e-peopleserve HR services offered through Internet – define and agree focus of research
- All relevant documentation about set up of e-peopleserve – initial goals, objectives, feasibility study, full business plan, any other research undertaken/obtained, internal and external pre-launch documentation for customers, staff, project ‘go-live’ feedback, relevant meeting minutes about e-peopleserve etc.
- Detailed structure of company including size, products and services, organisation charts/job descriptions and specifications/appraisal criteria for each role/training schedules/meeting minutes relating to relationship with e-peopleserve/BT etc.
- Strategic and tactical HR plans for each company
- Previous arrangements regarding BT HR – details, attitude surveys, services and method of supply, consultation regarding e-peopleserve introduction etc.



- Range of products and services provided and methods of supplying these services – full operational details – technology, content and service levels, reports and statistics of performance to date, any variance information etc.
- Contracts with current BT/e-peopleserve customer companies and any relevant literature leading to contractual agreements
- Any documentation about customer feedback mechanisms, surveys, problems, complaints, suggestions etc.
- Minutes/ documentation about relationship between BT, e-peopleserve and third party suppliers
- Analyses of HR activities: designated standards of performance in all areas as well as standard ratios (labour T/O, retention rates, costs, absenteeism etc.) and service levels, are any analyses carried out on the use of the internet provided services vs other methods, length of time used, frequency, services used etc.?



## APPENDIX E: PROFILE OF MAIN STUDY PARTICIPANTS – HR SUPPLIERS AND CUSTOMERS

### HR Suppliers:

Code No.	Position	Location	Age	Sex
*HRS1	HR Manager – CSM	BT Retail	43	Female
*HRS2	HR Intranet Manager	BT Group – HR	40	Male
*HRS3	Market Research Manager	e-peopleserve	37	Female
*HRS4	Account Director	e-peopleserve	47	Male
*HRS5	Information Serv. Manager	e-peopleserve	43	Male
*HRS6	HR Progs. Team Manager	BT Retail	42	Female
HRS7	Portal Manager	BT Group – Academy	42	Male
HRS8	Director of Training Solns	Concert	49	Male
HRS9	Org. Development Manager	BT Retail	26	Female
HRS10	Head - HR Network Access	BT Wholesale	45	Male
HRS11	Global Account Director	e-peopleserve	42	Male
HRS12	Comp. & Bens. Manager	BT Wholesale	35	Male
HRS13	HR Manager	BT Openworld	29	Female
HRS14	HR Manager	BT Openworld	45	Male
HRS15	Exec.Compensation Manager	BT Wireless	27	Female
HRS16	Client Operations Manager	e-peopleserve	49	Female
HRS17	Service Dev. Manager	e-peopleserve	25	Female
HRS18	Account Manager	e-peopleserve	49	Female
HRS19	HR Manager	BT Group – HR	32	Female
HRS20	Account Manager	e-peopleserve	31	Male
HRS21	Account Manager	e-peopleserve	48	Female
HRS22	H'd of Sales & Serv. Train'g	e-peopleserve	51	Male
HRS23	H'd of Cons. Contract Servs.	e-peopleserve	42	Male
HRS24	VP – Reward & Exit Servs.	e-peopleserve	44	Male
HRS25	H'd of Resourcing Services	e-peopleserve	45	Female
HRS26	VP – M'ged HR Services	e-peopleserve	48	Female
HRS27	Employment Policy Cons.	BT Group – HR	38	Female
HRS28	Employee Comms. Manager	BT Openworld	43	Female
HRS29	H'd of HR Strategy & Res'g	BT Retail	40	Female
HRS30	H'd of Employee Comms.	BT Retail	47	Male

Note:

\* denotes participation in pilot study

Source: Compiled by author



**HR Customers:**

<b>Code No.</b>	<b>Position</b>	<b>Location</b>	<b>Age</b>	<b>Sex</b>
*HRC1	Sen. Manager for Bus. Repair	BT Retail	38	Male
*HRC2	Fault M'gment Centre Manager	BT Retail	48	Male
*HRC3	SMC Provision Manager	BT Retail	40	Female
*HRC4	Business Customer Rels. M'ger	BT Retail	53	Male
*HRC5	Head of Customer. Services	BT Retail	45	Female
*HRC6	Resource & Admin. Manager	BT Retail	41	Male
HRC7	IT Account Manager	BT Cellnet/02	34	Male
HRC8	Technical Support Manager	BT Affinitus	33	Female
HRC9	Res. & Commerc.Mkt'g M'ger	BT Ignite	34	Male
HRC10	Strategy Manager	BT Retail	45	Female
HRC11	Maj. Bus. Mkt'g Systems M'ger	BT Retail	44	Female
HRC12	Senior Buyer	BT Affinitus	32	Female
HRC13	Cust. Satisfaction Prog.Manager	BT Wholesale	30	Female
HRC14	New Servs, Plan'g & Feas M'gr	BT Wholesale	39	Female
HRC15	Sales Des. & Del. Tr'g Manager	BT Retail	40	Female
HRC16	Ntw'k Trans Cap. Launch M'ger	BT Wholesale	44	Female
HRC17	Improvement Prog. Manager	BT Retail	44	Female
HRC18	H'd of Mkt Analysis & Plan'g	BT Retail	36	Female
HRC19	LAN Propositions Proj. M'ger	BT Ignite	30	Female
HRC20	Design Manager	BT Wholesale	35	Male
HRC21	Systems Des. & Dev. Manager	BT Openworld	40	Male
HRC22	Head of Studio	BT Openworld	42	Male
HRC23	Studio Progs & Projects M'ger	BT Openworld	36	Male
HRC24	Reporting Solutions Dev. M'ger	BT Wholesale	49	Male
HRC25	Technical Support Specialist	BT Ignite	46	Male
HRC26	Broadb'd Pltfm Ser. Del. M'ger	BT Wholesale	45	Male
HRC27	End to End Delivery Manager	BT Wholesale	45	Female
HRC28	H'd of Bus. Excellence & Qual.	BT Retail	39	Male
HRC29	Sales Manager	BT Retail	29	Female
HRC30	H'd of Knowledge Managem't	BT Retail	40	Male

Note:

\* denotes pilot study participant

Source: Compiled by author



**APPENDIX F: HR SUPPLIER INTERVIEW GUIDE**

**NOTE: Items in red added after pilot for use in main study**

**Name**

*HR (in-house) Supplier Interview with \*\*\*\*\* of \*\*\*\*\* on \*\*\*\*\*, 2001*

**Code no:**

**Date:**

**Interview Format:**

**Name:**

**Company:**

**Gender:**

**Age:**

**Highest Qualification:**

**IT Related Qualifications (with dates of achievement):**

**Position:**

**Length of service:**    company-  
   position-

**Responsible to:**

**Responsible for:**

**Summary of work history:**

**Describe your current role:**

**What aspects of your role are prescribed and what are discretionary? Ratio?**

**Have the expectations of your role changed in any way? How and by whom?**



**Do you see them changing in the near future? How?**

**How do you think HR is considered within BT? Why?**

**With regard to role of Manager in the company, what do you feel are the 3 most important aspects that HR can assist them with and add value?**

**Have you discussed the support that HR can give to their specific needs? Why not?/what came of these discussions?**

**What do you think managers' expectations of HR are?**

**How do you think managers feel about HR devolving what have traditionally been HR activities to their own role?**

**Did HR involve them in any aspects of devolution? How?/Do you think they should have? Why?**

**How long have you been using the Internet – at work? What do you use it for?**

**- at home? What do you use it for?**

**What do you think about the Internet in general?**

**What influences you most to use the Internet at work?**

**What expectations did/do you have for Managers using the Internet for HR applications? Why?**

**Overall, do you feel that managers' expectations have been *met, exceeded* or *not achieved* with regard to the HR Intranet?**

**Are there any particular aspects which you can illustrate the previous point?**

**What do you think managers use the HR Intranet for? Why?**



**Where is the Internet for HR applications particularly strong in meeting their needs? Why?**

**Where is it particularly weak in meeting their needs? Why?**

**What do you think are the 3 most important criteria for managers to regard the HR Intranet as satisfactory?**

**Thinking about the technology itself – how satisfied do you think managers are with (expand where necessary to clarify point made)**

**Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion, mildly satisfied, satisfied, very satisfied**

**Training given**

**Speed**

**Navigation/ease of use**

**Security**

**Presentation**

**Ease of access**

**Customisation**

**Interactivity**

**Enjoyment**

**Flexibility**

**Any other aspect which you would identify as particularly strong/ weak in satisfying/dissatisfying managers?**

**Which aspect of those mentioned above do you feel would be most important to managers?**

**Thinking about the information content – how satisfied do you think managers are with:**

**Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion, mildly satisfied, satisfied, very satisfied**



**Accuracy**

**Usefulness**

**Reliability**

**Currency**

**Relevance**

**Completeness**

**Timeliness**

**Appropriateness for your needs**

**Any other aspect which you would identify as particularly strong/ weak in satisfying/dissatisfying managers?**

**Which aspect mentioned above do you feel would be most important to managers?**

**Thinking about the service given using Internet technology for HR applications – how satisfied do you think managers are with:**

**Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion, mildly satisfied, satisfied, very satisfied**

**Speed of response**

**On-line help facility**

**Peopleline**

**Other back up assistance**

**Completion success**

**Any other aspect which you would identify as particularly strong/ weak in satisfying/dissatisfying managers?**

**Which aspect do you feel would be most important to managers?**

**Were any Managers involved in any way with the planning stages of HR Internet developments? In what way?/Do you feel they should have been? Why/why not?**



**How was the training on the new systems organised for customers? What type of training and how much was given?**

**What was the feedback like?**

**Is there any on-going training available for Managers? What form does it take?**

**What sort of training do you think managers would prefer regarding the HR Intranet? Why?**

**Do you have any arrangements for obtaining information about the customers' use/satisfaction with the HR Intranet?**

**Do you monitor or receive information about the nature of calls to either BT HR representatives and/or Peopleline about issues with the system? How does this operate?/Why not?**

**What happens if a complaint or suggestion for improving the HR Internet product/service is made to you? Example?**

**Overall, do you think customers at Management level are satisfied with the HR Intranet/e-peopleserve? Why?**

**Do you think that using the Internet for HR applications has *increased, decreased, or had no effect* on customer satisfaction with the HR function?**

**How do you think HR, using Internet technology, could improve customer satisfaction with the HR function?**

**What internal marketing was done to inform Managers of relevant Internet services offered by HR? How effective do you think the marketing was/is?**

**Did/does any segmentation take place to offer different services/capabilities to different segments of the internal market? Is any planned? Do you think this would be useful to managers? Why/why not?**

**What aspects could be customised which you feel would be useful for managers?**







**Do you see them changing in the near future? How?**

**How do you feel about HR devolving what have traditionally been HR activities to your own role?**

**Were you consulted about any aspect of this devolution? How did you feel about that?**

**How do you think HR is considered within BT? Why?**

**What are your expectations of HR?**

**What are your expectations of HR's ability to support your needs? Why?**

**What are the 3 most critical aspects of your role that you need HR for? How are these services delivered? Could this be improved? How?**

**Have you discussed the support that HR could give to your specific needs? Why not?/what came of these discussions?**

**Do you feel HR is customer focused? In what way?/Why not?**

**How long have you been using the Internet – at work? What do you use it for?**

**- at home? What do you use it for?**

**What do you think about the Internet in general?**

**What influences you most to use the Internet at work?**

**What expectations did/do you have for HR using the Internet to provide services for you? Why?**

**Overall, do you feel that your expectations have been *met*, *exceeded* or *not achieved* with regard to the HR Intranet?**



**Are there any particular aspects which you can illustrate the previous point?**

**What do you use the HR Intranet for? Why?**

**Where is the HR Intranet particularly strong in meeting your needs? Why?**

**Where is it particularly weak in meeting your needs? Why?**

**What are the 3 most important criteria for you to regard the HR Intranet as satisfactory?**

**Thinking about the technology itself – how satisfied are you with (expand where necessary to clarify point made)**

**Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion either way, mildly satisfied, satisfied, very satisfied**

**Training given**

**Speed**

**Navigation/ease of use**

**Security**

**Presentation**

**Ease of access**

**Customisation**

**Interactivity**

**Enjoyment**

**Flexibility**

**Any other aspect which you would identify as particularly strong/weak in satisfying you?**

**Which aspect of those mentioned above is most important for you? Why?**



Thinking about the information content – how satisfied are you with:  
Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion either way, mildly satisfied, satisfied, very satisfied

Accuracy

Usefulness

Reliability

Currency

Relevance

Completeness

Timeliness

Appropriateness for your needs

Any other aspect which you would identify as particularly strong/ weak in satisfying you?

Which aspect mentioned is most important for you? Why?

Thinking about the support service given using Internet technology for HR applications – how satisfied are you with:  
Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion either way, mildly satisfied, satisfied, very satisfied

Speed of response

On-line help facility

Peopleline

Other back up assistance

Completion success

Any other aspect which you would identify as particularly strong/ weak in satisfying you?

Which aspect is most important for you? Why?

Were you involved in any way with the planning stages of HR Internet developments? In what way?/Do you feel you should have been? Why/why not?



**Has the/your (lack of) involvement in the planning of the HR Intranet had any affect on your satisfaction with the HR function? In what way?**

**What type of training for the HR Intranet did you undertake and how much was given? How did you feel about that?/Was it useful? Why/why not?**

**What sort of training would you prefer regarding the HR Intranet? Why?**

**Did the (lack of) training (you were given) have any effect on your satisfaction with the HR function?**

**Have you ever made a complaint or suggestion for improving the HR Intranet product or service? What happened? How did you feel about this?**

**Do HR seek feedback on your use/satisfaction with the HR Intranet? What happened?/How do you feel about that?**

**Has the (lack of) feedback mechanism had any affect on your satisfaction with the HR function?**

**Overall, are you satisfied with the HR Intranet? Why/why not?**

**Do you think that using the Internet for HR applications has *increased, decreased, or had no effect* on customer satisfaction with the HR function?**

**How do you think HR, using Internet technology, could improve your satisfaction with the HR function?**

**What is your opinion of HR's internal marketing of the Internet services it can offer you for your role? Why do you think that?**

**Has the (lack of) marketing of the HR Intranet had any affect on your satisfaction with the HR function? In what way?**

**What sort of information would you like to see publicised about the HR Intranet?**

**What aspects of the HR Intranet could be customised for your particular needs? Why would this be useful?**



**APPENDIX H: SAMPLE INTERVIEW TRANSCRIPT**

**Name:**  
*HR (in-house) Supplier Interview with \*\*\*\*\* of BT Concert on 9, October, 2001*  
**Code no:**  
HRIS9  
**Date:**  
9 October, 2001  
**Interview Format:**  
Face to face  
**Name:**  
\*\*\*\*\*  
**Company:**  
BT Concert  
**Gender:**  
Male  
**Age:**  
49  
**Highest Qualification:**  
Masters (MBA)  
**IT Related Qualifications (with dates of achievement):**  
none  
**Position:**  
Director of Training Solutions  
**Length of service:**   **company-**  
  19 years  
  **position-**  
  21 months  
**Responsible to:**  
Vice President of HR Solutions  
**Responsible for:**  
2 direct reports  
**Summary of work history:**  
After first degree worked in Industrial purchasing and business development. Then MBA, then joined BT in commercial marketing, new business management, then quality management, then in HR. I've been in HR for 10 years, initially on a one year major change program, then graduate recruitment for several years, then skills development roles, NVQs, external accreditation, then employment policy, then HR information centre, then this.  
**Describe your current role**  
Whole of Concert in death throes. It's the policy and implementation around company wide, almost call it, generic skills training and development of the competency structure. That's it primarily. Trying to distinguish it between parallel roles e.g. technical roles such as sales, I'm not involved in that. I'm in training relevant to areas to whole company e.g. presentation, management 101, performance management, negotiating skills, covered within HR training which I run.



**What aspects of your role are prescribed and what are discretionary? Ratio?**

Very little prescription. Some actions etc after deciding a particular training vendor are prescribed, then it's a particular process. 10:90 p:d.

**Have the expectations of your role changed in any way? How and by whom?**

The role has changed, not because of customers but because of the corporate/commercial situation. Few months ago the effort and money devoted to training was reduced a lot. Amount of time spent designing and programming training activities has diminished right away. Replaced by responsibility for HR budget and responsibility and involvement in development of a global structure for Concert. Before only peripherally involved but, with reduction of training, now much more. Budget - before no input - now it's my totally my responsibility.

**Do you see them changing in the near future? How?**

Yes, it might disappear which would mean it would be amalgamated into technical training areas. If it changes significantly that's the change it would be. A big change or there may be none.

**How do you think HR is considered within BT? Why?**

I think it's considered very variably. People who work with it and who operate in a partnership with HR, positive impression and get a lot out of it. Others see HR as a bit of a compliance operation and have a poor view of HR. Seems like nature of them that see HR in that light. Feedback in website we put up (employment development portal) said HR have been living in a bubble in last 6 months, but then I looked at it and liked it. There are functions people love to hate e.g. HR, Finance. Once you engage with it quite a positive perspective but compliance, want a higher salary but HR says no. In Concert, not BT, more American dimension, BT procedural scale and attitude.

**With regard to role of Manager in the company, what do you feel are the most important aspects that HR can assist them with?**

Manager serviced by HR Account Manager, generalists support one or a small group. If senior manager, then they know them well because fairly high volume back and forth when they need assistance or HR develops something - sometimes derives its life because of pay review and need to do a spreadsheet. Supporting specific functions - my own training, comp & bens, resourcing - most integrated, some employee relations and HR information systems, standing behind account teams. In practical terms support that particular manager wants would be, in terms of time spent a lot of it special cases - poor performance, pay and personal issues that were inherited from way people came into the system e.g. transfers. Resourcing rather died away - constraining the way we operate quite tightly. Sales and technical areas - recruitment, development are quite important.

**Have you discussed the support that HR can give to their specific needs? Why not?/what came of these discussions?**

My channel for this information is via the account team. One, we've got account management structure to simplify relationship from point of view of manager, get same person, not half a dozen. There are times when its appropriate for me to have direct contact to get clear definition of a training need. If I go into some of the other areas - competency - lot of contact with managers. Ours is pretty simple - otherwise Byzantine, complicated - keeping it simple maintains a better a better life for itself. To get well-defined for partner role, you need to talk to them.

**What do you think managers' expectations of HR are?**



Their expectations would be expressed fairly simply – facilities to do things when I need but otherwise stay out of my way. At strategic level there was a lot of involvement and experience of HR to develop culture of organisation and how it fits with the strategy of the organisation and remain a strand of what we do – cart before horse this time. Leadership team and whole HR trying to define managers in Concert. Leadership profile based Internet protocol (IP) – technical approach to how to run a global telecomms network. A struggle – people need to understand a network based on an IP (not traditional) basis. Also operating on a truly global basis (unlike BT) leadership capability framework 1) need a lot of IP savvy and 2) need to be very effective working across cultures in a global situation. Piece of work defining business capabilities for Concert and feed through to culture - fed through whole training framework – person capabilities for people in leadership roles. Although we've intended these to define the Board – they are needed by all in the company - CEO or Joe in Customer Centre - how to behave differently when speaking to opposite number in Tokyo than Denver. What are the key characteristics they should have. Theme of simplicity there, each of these breaks back into half a dozen leadership characteristics and capabilities. Some of it all around customer centric view of life – some Internet protocol savvy, a thing Concert's built on – customer, creativity, results and collaboration

**How do you think managers feel about HR devolving what have traditionally been HR activities to their own role?**

It hasn't been so much a process of devolution – from January, 2000 set it up to look like this with established level of devolution, but has been difficult for some of them. Similar to how it happened in BT before – welcome it but then not happy. Some very difficult, need a lot of support.

**Did HR involve them in any aspects of devolution? Do you think they should have? Why?**

Attitude was it tended to be a good thing as we don't need HR infrastructure doing all of this but when they taste it, they realise they do not want the support and network. Governed by how well HR account team manage to diagnose level of support, individual managers' needs – some can just get a process handed to them and get on with it. Don't think they were particularly involved. Style of involvement, the HR team more or less became management team of group they were supporting. That varies in HR skill. Initial stance, extended hand was there, some took it and established relationships better than others.

**How long have you been using the Internet – at work? What do you use it for?**

Really don't know. Personally? About 6 years. I use it a great deal. I first used it for internal communications within BT e.g. BT Today website huge, drawing people into the Net. Before people with technical need to use it. Like e-mail you realise you'll miss stuff if you don't check it. When set up people only had to miss one or two important messages to really get involved in using it.

**- at home? What do you use it for?**

Not very long – because I use it at work so much. Home use only one hour a week, not very much, but at work several hours a day. E-mail, travel, holiday booking, managing finances, finding the best rates of interest.

**What do you think about the Internet in general?**



I think it's a good thing, a real convenience, potential life changer and certainly a changer of habits. But also a time waster. Easyjet only on Internet – cost of managing it very cheap.

**What influences you most to use the Internet at work?**

For some things it's the only way I can do things e.g. raise a purchase order. In the States, colleagues have to log on and off – if they don't it affects their pay. That and keeping abreast of changes in the company are the most significant. Speed of dissemination.

**What expectations did/do you have for Managers using the Internet for HR applications? Why?**

Depends on timescale you're talking about. Concert – newness and nature of business – IP – natural thing. Managers expected to use Intranet whereas before piece of paper and would resent anything not Internet enabled. Three years ago Peter Bonfield – any new proposal has to have Internet enabled capability. But really the first thing I got involved in graduate recruitment – 1996 – decided not to run a graduate brochure but simple flier and direct everyone to the Net. Had misgivings, but of course, University students lead the way – the very first year we got 18% over the Net – next year, 70%. It just rocketed up. The first year we hadn't even promoted it.

**Overall, do you feel that managers' expectations have been *met, exceeded* or *not achieved* with regard to the HR Intranet?**

I think they've been met and might have been exceeded. Don't know re: training – little online training. Don't see it personally myself very much, but think it will grow quite rapidly. Don't think managers have an expectation, they accept what they're told. Little bit of diffusion – they will accept some things but not others. Managers as a type – some very Internet savvy, others not.

**Are there any particular aspects which you can illustrate the previous point?**

The man who commented on the bubble – expectations of HR as much as the Intranet.

**Where is the Internet for HR applications particularly strong in meeting their needs? Why?**

Vacancy filling, recruitment. It's good in policy promulgation. What's the policy on something strange e.g. tuition reimbursement – it's on the Web and they can find it easily. Flexible benefits enrolment – we run a flexible scheme - truly flexible – only way to run it – very strong. Training enrolment - not quite coordinated but most are on the Web and you get all your details that way. Something delivered online/CD – on Web quite effective.

**Where is it particularly weak in meeting their needs? Why?**

Pay ranges and compensation – not so much yet but effectively all ready to go. Individual can see what's a high or low end of pay range. Not 100% sure we'll ever go with that.

**What do you think are the 3 most important criteria for managers to regard the HR Intranet as satisfactory?**

- 1) fully up to date and relevant
- 2) that it should push things they need to know to them as an overall thing – effectiveness of browsers etc. technically smooth – all kinds of stuff around – slow downloads, knocking me off etc.
- 3) interactive and responsive – if you engage with Intranet – if it follows up what you asked it e.g. enrolment on course – e-mails reminders, information etc.



**Thinking about the technology itself – how satisfied do you think managers are with (expand where necessary to clarify point made)**

**Please answer very dissatisfied, dissatisfied, fairly dissatisfied, no opinion, fairly satisfied, satisfied, very satisfied**

**Training given**

It should almost be irrelevant, should be intuitive – shouldn't have to train them. Finance – is slightly more complicated – there isn't anything quite like that on HR Intranet. We give training to the key group – employee development portal – self service doesn't need training but what we have had is conference calls – walking through it – not for general but for HR. Satisfied but requirement comparatively low.

**Speed**

Not an issue. Satisfied.

**Navigation/ease of use**

Fairly satisfied.

**Security**

No concerns. Satisfied.

**Presentation**

Very satisfied.

**Ease of access**

Satisfied.

**Customisation**

To Concert, very satisfied, to training in Concert, don't expect it, satisfied. Customer does go down some alleys. HR website, managers groups and networks, but will also have this button called training – takes them to their specific areas and go into appropriate points.

**Interactivity**

Satisfied – if I'm enrolling my benefit choices it will come back to me if I've overspent.

**Enjoyment**

Again satisfied, but don't go in with any substantial expectations.

**Flexibility**

Probably very satisfied if they have expectation, it's been more than met.

**Which aspect of those mentioned above do you feel would be most important to managers?**

Navigation/ease of use

**Thinking about the information content – how satisfied do you think managers are with:**

**Please answer very dissatisfied, dissatisfied, mildly dissatisfied, no opinion, mildly satisfied, satisfied, very satisfied**

**Accuracy**

Satisfied

**Usefulness**

Very satisfied

**Reliability**

Probably on the whole satisfied – except for cock ups – so dissatisfied but very rare. Had a screw up – creation of job structure, job titles pre-loaded into live area where they shouldn't have been.

**Currency**



Can't think of any instances where it's not. Satisfied. Generally see it as up to date.

#### **Relevance**

Probably mildly dissatisfied. All these questions hanging over company and nothing on HR website to deal with – information is so tightly contained at the moment but difficult as to what could be done. Employee development portal – could be a case of HR saying not much training and increased uncertainty – think more broadly about your development – use the portal to develop yourself.

#### **Completeness**

Satisfied.

**Which aspect mentioned above do you feel would be most important to managers?**

Up to date/reliable.

**Thinking about the support service given using Internet technology for HR applications – how satisfied do you think managers are with:**

**Please answer very dissatisfied, dissatisfied, fairly dissatisfied, no opinion, fairly satisfied, satisfied, very satisfied**

#### **Speed of response**

Varies hugely – sometimes very satisfied, others very dissatisfied. Depends how feedback channels are managed. We knew feedback channels ending up in disused mailboxes (people that had left) we just discarded that which hadn't been answered since February. Need to recognise some opposition for signifying dissatisfaction with that.

#### **On-line help facility**

Don't know.

#### **Peopleline**

Concert line – I think it's good – very responsive – very satisfied.

#### **Other back up assistance**

Can't really judge.

#### **Completion success**

Satisfied.

**Which aspect do you feel would be most important to managers?**

Speed of response

**Were any Managers involved in any way with the planning stages of HR Internet developments? Do you feel they should have been? Why/why not?**

Not really – only in competency definition – which they would have done whether or not putting on line. The creation of the HR Intranet – big beast, probably did not – if answer yes, only a small number, 2 or 3.

**Do you have any arrangements for obtaining information about the customers' use/satisfaction with the HR Intranet?**

It's passive in the sense that if someone is having trouble enrolling they'll contact us. If they're not having trouble, we don't go out and seek feedback. We do seek feedback from classes but don't think that includes anything about online access specifically.

**Do you monitor or receive information about the nature of calls to either BT HR representatives and/or Peopleline about issues with the system? How does this operate?/Why not?**

No, unless there's a query. Concertline doesn't get a lot of comments about training. I know quite a lot as I know the individuals. They tell me about issues re: training – informal rather than formal.



**What happens if a complaint or suggestion for improving the HR Internet product/service is made to you? Example?**

That would come to me or my people and we would respond to it and implement it if sensible.

**Overall, do you think customers at Management level are satisfied with the HR Intranet/e-peopleserve? Why?**

Yes, I do. I think they see it's very available. If they had a question they would go online and quite quickly find the answer – how do I do this, when is the next class etc.

**Do you think that using the Internet for HR applications has *increased, decreased, or had no effect* on customer satisfaction with the HR function?**

I think it's increased it, but may only be marginal.

**How do you think HR, using Internet technology, could improve customer satisfaction with the HR function?**

I think something that made HR Intranet more proactive. It's on the HR only area – we keep calendar of major milestones in HR year – an area we could ramp up to get out to senior managers. The timetable and Intranet could help you in many ways.

**What internal marketing was done to inform Managers of relevant Internet services offered by HR? How effective do you think the marketing was/is?**

The standard internal marketing tool in Concert is daily online bulletin called 'The Buzz' – that gets a message each time a development is implemented. It's very well targeted – goes to everyone in the business but it doesn't carry a huge volume of stuff. Most editions are 3 pieces – one a big business win, one HR – e.g. get on Benefits and look at new Employee Development portal. Not a noisy medium – message quite focussed. Also quick review of press/industry in Buzz. HR Account Managers will also make points. I think most people access Buzz on most days – get it by e-mail or through website.

**Did/does any segmentation take place to offer different services/capabilities to different segments of the internal market? Is any planned? Do you think this would be useful to managers? Why/why not?**

Not really. Segmented by geographic region but not by need except where it's defined by geographic region. No, I don't think it would but if I sat down and thought about it, then probably could come up with some.

**What aspects could be customised which you feel would be useful for managers?**

I suppose one example would be in normal circumstances – graduate intake and people promoted to managerial jobs – with that information we should be able to target their managers about Management 101, particular programs etc. We do target information on training programs. Not linked to appraisal – will be linked if they have contacted us. Partially because whole program is curtailed at the moment but to be honest we hadn't thought about it.



**APPENDIX I: NVIVO CODING FRAMEWORK**

*Number of Nodes: 142*

- 1 (1) /HR Customers**
- 2 (1 1) /HR Customers/Attitude to HR
- 3 (1 1 1) /HR Customers/Attitude to HR/Personal opinion
- 4 (1 1 2) /HR Customers/Attitude to HR/Personal opinion of team
- 5 (1 2) /HR Customers/Use of HR
- 6 (1 2 1) /HR Customers/Use of HR/Union guidance
- 7 (1 2 2) /HR Customers/Use of HR/Recruitment
- 8 (1 2 3) /HR Customers/Use of HR/Discipline
- 9 (1 2 4) /HR Customers/Use of HR/Rule clarification
- 10 (1 2 5) /HR Customers/Use of HR/Attendance
- 11 (1 2 6) /HR Customers/Use of HR/Communication
- 12 (1 2 7) /HR Customers/Use of HR/Performance
- 13 (1 2 8) /HR Customers/Use of HR/Training & development
- 14 (1 2 9) /HR Customers/Use of HR/Comp & Bens
- 15 (1 2 10) /HR Customers/Use of HR/Manpower planning
- 16 (1 2 11) /HR Customers/Use of HR/Policies & procedures
- 17 (1 2 12) /HR Customers/Use of HR/e-Gatekeeper
- 18 (1 2 13) /HR Customers/Use of HR/Retention
- 19 (1 2 14) /HR Customers/Use of HR/People Management
- 20 (2) /HR Suppliers**
- 21 (2 1) /HR Suppliers/Outsourced
- 22 (2 2) /HR Suppliers/Opinion of customers' view of HR
- 23 (2 3) /HR Suppliers/In house
- 24 (2 4) /HR Suppliers/Opinion of organisation's view of HR
- 25 (2 5) /HR Suppliers/Opinion of customers' view of HR and value
- 26 (3) /Customer-Supplier Relationship**
- 27 (3 1) /Customer-Supplier Relationship/Communication
- 28 (3 2) /Customer-Supplier Relationship/Dimensions of relationship
- 29 (3 2 1) /Customer-Supplier Relationship/Dimensions of relationship/Frequency
- 30 (3 2 2) /Customer-Supplier Relationship/Dimensions of relationship/New ideas
- 31 (3 2 3) /Customer-Supplier Relationship/Dimensions of relationship/initiator
- 32 (3 2 4) /Customer-Supplier Relationship/Dimensions of relationship/Changes
- 33 (4) /Role**
- 34 (4 1) /Role/Of Supplier
- 35 (4 2) /Role/Of Managers
- 36 (4 2 1) /Role/Of Managers/Changes
- 37 (4 2 2) /Role/Of Managers/History
- 38 (4 2 3) /Role/Of Managers/Activities



39	(4 2 4) /Role/Of Managers/Current
40	(4 3) /Role/Expectations
41	(4 3 1) /Role/Expectations/Of HR of customer
42	(4 3 2) /Role/Expectations/Of customer of HR
43	(4 3 3) /Role Expectations/By HR of customers of HR
44	(4 3 4) /Role/Expectations/Of organisation
45	(4 3 5) /Role/Expectations/Of HR using Internet technology
46	(4 3 7) /Role/Expectations/Changes
47	(4 3 8) /Role/Expectations/Familiarity
48	(4 3 9) /Role/Expectations/Experience
49	(4 4) /Role/Prescription
50	(4 5) /Role/Discretion
51	(4 6) /Role/Conflict
52	(4 7) /Role/Ambiguity
53	(4 8) /Role/Using Internet in role
54	(4 8 1) /Role/Using Internet in role/For HR applications
55	(4 8 2) /Role/Using Internet in role/Generally
56	(4 9) /Role/History
57	<b>(5) /Internet Technology</b>
58	(5 1) /Internet Technology/Experience
59	(5 1 1) /Internet Technology/Experience/At home
60	(5 1 2) /Internet Technology/Experience/At work
61	(5 1 3) /Internet Technology/Experience/Length of time used
62	(5 1 4) /Internet Technology/Experience/Frequency
63	(5 2) /Internet Technology/Influence on use
64	(5 3) /Internet Technology/Involvement in planning
65	(5 3 1) /Internet Technology/Involvement in planning/Involved
66	(5 3 2) /Internet Technology/Involvement in planning/Not Involved
67	(5 3 3) /Internet Technology/Involvement in planning/Effect on satisfaction
68	(5 3 4) /Internet Technology/Involvement in planning/Don't know
69	(5 4) /Internet Technology/Uses for work
70	(5 4 1) /Internet Technology/Uses for work/HR Internet applications
71	(5 4 5) /Internet Technology/Uses for work/General
72	(5 5) /Internet Technology/Marketing of HR Internet application
73	(5 5 1) /Internet Technology/Marketing of HRIA/Effect on satisfaction
74	(5 5 2) /Internet Technology/Marketing of HRIA/Customers' suggestions for info.
75	(5 5 3) /Internet Technology/Marketing of HRIA/Segmentation
76	(5 6) /Internet Technology/Familiarity
77	<b>(6) /Satisfaction</b>
78	(6 1) /Satisfaction/with Internet
79	(6 2) /Satisfaction/with HR Internet applications
80	(6 2 1) /Satisfaction/with HR Internet applications/Appraisal
81	(6 2 2) /Satisfaction/with HR Internet applications/Policies & procedures
82	(6 2 3) /Satisfaction/with HR Internet applications/Weakness



- 83 (6 2 4) /Satisfaction/with HR Internet applications/Comp & bens
- 84 (6 2 5) /Satisfaction/with HR Internet applications/Outsourced issues
- 85 (6 2 6) /Satisfaction/with HR Internet applications/Training & development
- 86 (6 2 7) /Satisfaction/with HR Internet applications/Recruitment
- 87 (6 2 8) /Satisfaction/with HR Internet applications/Legal aspects
- 88 (6 3) /Satisfaction/with HR through use Int applications
- 89 (6 3 1) /Satisfaction/with HR through use Int applications/Decrease
- 90 (6 3 2) /Satisfaction/with HR through use Int applications/No effect
- 91 (6 3 3) /Satisfaction/with HR through use Int applications/Increase
- 92 (6 3 4) /Satisfaction/with HR through use Int applications/Criteria for satisfaction
- 93 6 3 5) /Satisfaction/with HR through use Int applications/Weak in meeting needs
- 94 (6 3 6) /Satisfaction/with HR through use Int applications/Strong in meeting needs
- 95 (6 4) /Satisfaction/with technology
- 96 (6 4 1) /Satisfaction/with technology/Speed
- 97 (6 4 2) /Satisfaction/with technology/Navigation
- 98 (6 4 3) /Satisfaction/with technology/Security
- 99 (6 4 4) /Satisfaction/with technology/Presentation
- 100 (6 4 5) /Satisfaction/with technology/Training given
- 101 (6 4 5 1) /Satisfaction/with technology/Training given/Effect on satisfaction
- 102 (6 4 5 2) /Satisfaction/with technology/Training given/Type of training required
- 103 (6 4 6) /Satisfaction/with technology/Ease of access
- 104 (6 4 7) /Satisfaction/with technology/Customisation
- 105 (6 4 7 1) /Satisfaction/with technology/Customisation/Suggestions
- 106 (6 4 8) /Satisfaction/with technology/Interactivity
- 107 (6 4 9) /Satisfaction/with technology/Enjoyment
- 108 (6 4 10) /Satisfaction/with technology/Flexibility
- 109 (6 4 11) /Satisfaction/with technology/Most important
- 110 (6 5) /Satisfaction/with information content
- 111 (6 5 1) /Satisfaction/with information content/Usefulness
- 112 (6 5 2) /Satisfaction/with information content/Reliability
- 113 (6 5 3) /Satisfaction/with information content/Currency
- 114 (6 5 4) /Satisfaction/with information content/Relevance
- 115 (6 5 5) /Satisfaction/with information content/Completeness
- 116 (6 5 6) /Satisfaction/with information content/Accuracy
- 117 (6 5 7) /Satisfaction/with information content/Timeliness
- 118 (6 5 8) /Satisfaction/with information content/Appropriateness for need
- 119 (6 5 9) /Satisfaction/with information content/Most important
- 120 (6 6) /Satisfaction/with HRIA support
- 121 (6 6 1) /Satisfaction/with HRIA support/Other back up - Peopleline
- 122 (6 6 2) /Satisfaction/with HRIA support/Other back up - HR rep
- 123 (6 6 3) /Satisfaction/with HRIA support/Speed of response



124	(6 6 4) /Satisfaction/with HRIA support/Completion success
125	(6 6 5) /Satisfaction/with HRIA support/Online help facility
126	(6 6 6) /Satisfaction/with HRIA support/Most important
127	(6 7) /Satisfaction/with HR
128	(6 7 1) /Satisfaction/with HR/with devolution of HR activities
129	(6 8) /Satisfaction/Suggestions to improve satisfaction
130	(6 9) /Satisfaction/HR request for customer feedback
131	(6 9 1) /Satisfaction/HR request for customer feedback/Effect on satisfaction
132	(6 9 2) /Satisfaction/HR request for customer feedback/Action taken
133	(6 10) /Satisfaction/Complaint made
134	(6 10 1) /Satisfaction/Complaint made/HR response
<b>134</b>	<b>(7) /Company</b>
135	(7 1) /Company/HR on board
136	(7 2) /Company/Company situation
137	(7 3) /Company/Expectations of HR
138	(7 4) /Company/Attitude to HR
139	(7 5) /Company/Company structure
140	(7 6) /Company/History
141	(7 7) /Company/Culture
142	(7 8) /Company/HR leadership



## **APPENDIX J: BT GROUP HR E-HR STRATEGY OVERVIEW**

### **Introduction**

"Up to 90% of the workload of the HR departments are predicted to be able to be dealt with by employees themselves using HR based company intranets. Both employees and organisations benefit substantially from new technologies." ('Preview', Smythe Dorward Lambert, Spring 2000).

BT's Strategy clearly states that in order to transform the company into an IP Telco then we must have 'fast, end to end, 'e'-enabled processes'. This equally applies to our People Strategy that sees the e-HR programme as key to improving efficiency and gaining maximum value from our people.

Through automating our people processes and exploiting technology to gain competitive advantage, we will significantly increase the speed by which people data is updated, which will ultimately make it more meaningful to the end user.

This e-HR strategy aims to lay down the principles by which existing and emerging technology will be exploited to transform HR into a truly e-HR function whereby policies and procedures will be developed, delivered and managed electronically and on-line wherever possible.

However this is not to say that all HR processes will become truly electronic. Automation should only be used whereby the technology will assist in the delivery of a better service to the customer, or the realisation of identified cost savings within BT and HR.

These improved processes and services will be delivered via the BT Intranet platform.

This strategy document needs to be read in conjunction with the HR Intranet Strategy.

### **What is e-HR?**

The challenge this year is to keep the BT Intranet best in class and at the leading edge of technological applications for business benefit, while providing an unbeatable service to end users. E-HR has a key role in ensuring that this objective is delivered and to provide the appropriate HR platforms for the success of the e-BT initiative.

e-HR is the transition of the use of the Intranet, from what was previously a communications tool, into further exploiting the technology and empowering individuals to undertake their own HR transactions.

### **e-HR Strategic Objectives**

- To support the business transformation of BT, in terms of systems, organisational and cultural change, by exploiting intranet and Internet technology;



- To maximise the benefits of the Peoplesoft HR system and other key HR systems by “web enabling” their use for the benefit of HR, management and employee communities in BT;
- To enable BT people to have easy access to HR policies, processes and services and also direct access to their personal employee data;
- To introduce the “self - service” approach for employee data and for HR services, in order to improve the efficiency and quality of the people information and services in the company;
- To maximise the synergies of people related services offered within the company, including from Finance and Business Services, so that employees are delivered a seamless people service offering and so that the company benefits from the resulting efficiencies;
- To share knowledge, expertise and best practice with the joint ventures.

### **Employee tool**

In order to leverage the benefits to be gained by harnessing the power of our people we need to become a truly electronic business. We need to improve efficiency and gain maximum value from our people by exploiting e-HR to help us work smarter. In particular, gaining cost and time reductions and improved employee satisfaction through automating many of our people processes such as recruitment, APRs, pay reviews.

It is a re-alignment of policies whereby they become the key enablers of the BT Group people strategy.

### **In the UK, BT HR is transforming the way BT people do business by becoming a truly electronic HR function – e-HR.**

In the UK, HR is maximising the potential of one of the largest and more mature intranets in Europe, gaining cost and time reductions and improved employee satisfaction through automating people processes - some examples include:

- vacancies are registered and searched on-line, with this year’s graduate recruitment programme entirely Web based;
- personal training and development can be managed on-line, from the identification of options and booking, through to the delivery and tracking of courses;
- personal details can be viewed and amended on-line and managers can log people changes directly, providing accurate organisational data.

Our strategy is for HR policies and procedures to be intranet based, ensuring our people always have the most up to date support, guidelines and documentation to hand. Existing and forthcoming HR best practice and expertise should be shared freely throughout the BT Group worldwide.

Freeing up administration time enables our HR professionals to concentrate on being true strategic business partners – and our line managers to spend their time managing the business.



## **Key deliverables**

- A full review identifying those policies, processes and procedures that can become 'e'-enabled, either in the short term or at a later date
- The delivery of the planned e-HR projects available at;  
<http://hr.intra.bt.com/hrinformationcentre/hrsystems/eHRTransformation/HR-eBT-Internal.xls> (information not available, internal BT access only)
- On-line HR policies being designed and implemented by HR and individual administrative activities managed on a day-to-day basis by BT people
- e-HR needs to reflect BT's global business.

## **Measures**

- Projects identified in (information not available, internal BT access only):  
<http://hr.intra.bt.com/hrinformationcentre/hrsystems/eHRTransformation/HR-eBT-Internal.xls> delivered to key time-scales
- Cost savings realised - e.g. in reduction of HR people undertaking administrative tasks
- PeopleLine providing a real value add service to the way BT people do business, in addition to being the first point of contact for all things HR related
- Line managers are adept at managing their people and use HR for advice and consultation services instead of day to day administration activities
- Time-scales for delivery of the HR output is significantly reduced e.g. vacancy filling times
- Rationalisation of the number of existing different technologies being used to deliver the current HR portfolio of products and services.

## **Roles and responsibilities**

- The e-BT Internet/Intranet strategy is the responsibility of the BT Information Services Director.
- The alignment of e-HR into e-BT is the responsibility of the Group HR Policy director.
- The Head of Policy units own the HR information and their delivery processes.
- The strategic direction is influenced by the BT Intranet strategy under the guidance of the HR Policy director.
- The future strategy of e-HR remains the responsibility of the Group HR steering group.
- e-HR - e-Peopleserve is the supplier of on-line services and solutions.
- Further e-HR services are negotiated and delivered by HR&DS with the HR Service Excellence Manager to agreed contracted specifications.



## **Conclusion**

e-HR will contribute significantly to the further roll out of e-BT and on the way that BT's people policies are implemented.

It will have a fundamental effect on the way that BT manages its employees in the future and be vital in further pushing down costs and empowering BT as a business, its people and its current and future investments.

Group HR Intranet Manager

## **Appendix 1:**

planned eHR projects - as at 22 May 2000

see file "e-HR transformation matrix (HR-eBT-Internal.xls)" available at;  
<http://hr.intra.bt.com/hrinformationcentre/hrsystems/eHRTransformation/HR-eBT-Internal.xls> (information not available, for internal BT access only)



## **APPENDIX K: BT GROUP HR INTRANET POLICY (SELECTED SECTION)**

### **Information Management**

While previously the HR Intranet was updated centrally by administrators, responsibility for updating information contained within the HR Intranet is now by the information owners/providers using a content management tool.

#### **Roles and responsibilities:**

- Head of policy units own the information and their delivery processes
- Channel managers are assigned within the policy organisation to manage the delivery of information via the HR Intranet
- Information providers are responsible for the data contained within their web space and the updating and republishing of that data. They are responsible for adherence to laid down standards as determined by the HR Intranet manager/Franchise holder as influenced by the BT intranet standards.
- The HR Franchise holder retains the responsibility for deciding what is the most appropriate medium to deliver communications, dependent on subject matter. The HR intranet may not necessarily be that medium.
- Supporting HR information is subtly branded as "approved" by HR, but its look and feel will be of the owner's decision. However, they are encouraged to fall into the HR look and feel, as this will realise significant cost savings and resources needed to manage the site.
- Any new web design requirements are the responsibility of the information owner who needs to identify their needs and ultimately commission the designers. A number of approved internal and external web design suppliers are available who will be used to source the designs and build the sites. Discussions surrounding the decision of hosting the completed sites are to be entered into with the HR Intranet Manager before any work is commissioned, to ensure the professional integrity and overall HR site objectives are not compromised.
- Provision of the budget for such work is the responsibility of the information owner.
- The day-to-day administration and management of web sites that do not fall into the remit of the content management tool are the sole responsibility of the information owner.

### **Feedback**

HR provides a fully functional on-line feedback mechanism that allows information providers to effectively manage feedback received about their content. This is the preferred route for all feedback to be submitted and maintained. It is HR policy that all feedback and responses are visible to all visitors to the HR intranet. This is designed to encourage responsibility and ownership of issues and to activate further development and implementation of technical solutions to the site.

Information providers are regularly consulted on any future enhancements/requirements they would wish to see to the existing feedback mechanism.



It is expected that channel managers and information in-putters will use submitted feedback as an opportunity to further enhance the on-line experience that they offer their customers.

## **Review**

Continual review of existing information is essential to ensure that the HR Intranet maintains its enviable position as one of the most important aspects of the BT intranet.

It is HR policy that the visible review date will be no more than 12 months in the future and that a contact name and number will be available on each and every page, for further customer enquiries.

Group HR Intranet Manager



## APPENDIX L: HR INTRANET ONLINE PUBLISHING STANDARDS

### Online Publishing Standards

The BT Intranet is for all BT people, including customer-facing people, and it is vital that the information delivered is up to date and accurate. These standards have been agreed by the BT Intranet Manager and the business Franchise Holders. They are mandatory for all pages on the intranet. There's also lots of useful information in the policy and best practice sections.

### Standards

The following minimum set of requirements must be followed by all publishers:

(Note: Hypertext only available for internal BT employee access).


1. Publish the BT animated logo on the top left hand part of each page linked to the BT Homepage.
2. Publish the page owner and review date of each page so users are confident information is current.
3. Publish a feedback link so users can give you their comments on any issues or request clarification of content.
4. Publish a link to search or use a search box to help users find information easily.
5. Publishers must also publish a heading to an A-Z specific to the site or to the BT A-Z. It needs to be clearly labelled so users know what the A-Z contains.
6. All privacy marked material must be appropriately protected.
7. Each directory must include index, home or default.htm(1).
8. All pages must meet usability standards.
9. Pages which are moved to a new URL must have a redirect page.

Use the checklist for a quick reminder of all the standards.

Group HR Intranet Manager



APPENDIX M: BT GROUP HR INTRANET HOME PAGE



# Human Resources

a-z | search | feedback | help | site map

About HR | Employment | Equality & Diversity | Health & Wellbeing | Hunter | Jobs | Manager's Guides | News | Pay & Benefits | Safety | Your Development | eHR Services

## At a glance...

- » [PeopleLine](#)
- » [Plain Language for HR](#)
- » [Contacts](#)
- » [A to Z of HR](#)
- » [HR Intranet site map](#)
- » [Getting a reference](#)
- » [Job News](#)
- » [CARE](#)
- » [Managing people](#)
- » [People News](#)
- » [Health and Safety News](#)
- » [Fire Briefings](#)
- » [APR's](#)
- » [BT Academy](#)
- » [View your payslip](#)
- » [Change your details](#)

## Today's Top Story...

### International Assignments

The new International Assignments section not only provides all you need to know about working abroad but also includes important information for regular overseas business travellers.

Hover or click on section headings below for more...


- » [About HR](#)
- » [Employment](#)
- » [International Assignments](#)
- » [Equality & Diversity](#)
- » [Religious and Cultural Awareness](#)
- » [Health & Wellbeing](#)
- » [Sun Safety](#)
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- » [Employee Research Explained](#)
- » [Jobs](#)

- » [Manager's Guides](#)
- » [CARE 2001 Results - now available](#)
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- » [Pay & Benefits](#)
- » [Starting Pay on Permanent Advancement and Recruitment](#)
- » [Safety](#)
- » [Your Development](#)
- » [eHR Services](#)

01 July 2002

### BT Shareprice

250.5 (-1.5)  
(1 Jul 09:30)



### In the news...

**New HR Director:**  
Alex Wilson is the new BT Group Human Resources Director.... »

**Health and Safety News - June 2002:**  
Health & Safety News is a national, monthly electronic publication for all managers in BT. Managers should use this to determine what information is relevant for onward briefing to their people.... »

**APR Timetable:**  
Document detailing APR periods and completion date.... »

Source: BT HR Intranet (Internal Access Only)



APPENDIX N: EXAMPLE OF HR INTRANET PAGE HIT STATISTICS

Page Hits Statistics

Back to Main Menu

Section	Sub Section	Page Title	Hits	First Hit Date	Last Hit Date
AA TOTAL SITE HITS			2354393	17/01/01 10:25:05 AM	01/07/02 10:06:34 AM
About HR			138659	17/01/01 10:49:51 AM	01/07/02 10:05:04 AM
About HR	Test subsection		73	26/11/01 09:05:41 PM	10/02/02 07:00:39 PM
About HR	Related HR links		30597	01/02/01 06:47:12 PM	01/07/02 09:45:17 AM
About HR	Related HR links	Plain Language for HR	2587	15/08/01 06:28:54 PM	01/07/02 09:24:13 AM
About HR	Related HR links	Go live for NewStart	1420	15/08/01 04:45:12 PM	31/01/02 07:01:02 PM
About HR	Related HR links	Regular overseas business travellers	939	15/08/01 06:51:41 PM	30/06/02 06:47:06 PM
About HR	HR Organisation		91296	17/01/01 10:49:51 AM	01/07/02 10:05:04 AM
About HR	HR Organisation	Welcome Message from John Steele	173	15/08/01 07:09:29 PM	30/09/01 07:32:25 PM
About HR	HR Organisation	Human Resources Website Survey	40972	15/08/01 04:21:12 PM	28/06/02 02:49:21 PM
About HR	HR Organisation	About HR	858	15/08/01 07:05:08 PM	30/06/02 06:47:06 PM
About HR	HR Organisation	New HR Organisation takes shape	794	15/08/01 07:08:12 PM	26/02/02 06:57:04 PM
About HR	Finding your line HR person		14070	17/01/01 10:52:30 AM	01/07/02 09:32:37 AM
About HR	Finding your line HR person	Your line personnel unit	4945	15/08/01 05:01:49 PM	01/07/02 09:26:21 AM
About HR	Charter		2623	17/01/01 11:12:52 AM	14/05/02 09:48:13 AM
About HR	Charter	People Strategy	652	15/08/01 06:51:40 PM	04/12/01 07:50:30 PM
Employment			218506	17/01/01 10:26:22 AM	01/07/02 10:06:34 AM
Employment	Recruitment		13192	17/01/01 10:34:17 AM	01/07/02 10:06:09 AM
Employment	Recruitment	Recruitment guidance	4028	16/08/01 11:12:48 AM	01/07/02 09:32:57 AM

Source: BT HR Intranet (Internal Access Only)



**APPENDIX O: MAIN STUDY – SUPPLEMENTARY FINDINGS I**

**1. PERCEPTIONS OF THE HR FUNCTION WITHIN BT**

From the findings of the initial pilot about the role and perceived position of HR within the organisation, a picture emerged of a lack of coherence between managers in the divisions of the business as well as between HR customers and suppliers. This was further explored in the main study and a first premise is created in this section, which permeates the findings, the perceived lack of satisfactory communication within the HR customer and supplier relationship.

The previous chapter illustrated that while the number of employees had more than halved from 250,000 to 120,000 since 1990, the HR department had disproportionately been reduced from 14,500 to 600 (with 1,000 transferring to e-peopleserve) with further reductions planned (to 350) (see Sections 5.2.3.3; 5.2.5 and Table 5.2). While there appeared to be some recognition of HR size reduction, little acknowledgment was given to either the difficulties this may have presented or the achievements made by HR during the period.

**1.1 Perceptions of Company Attitude to HR**

There was a wide dichotomy of opinion within both HR customer and the HR internal and external supplier groups. Table O.1 illustrates the range of different perceptions between individuals in the three groups.

**Table O. 1:       How HR is Considered Within BT**

	Very Positive	Positive	Mixed	Not Considered	Negative	Very Negative	Don't Know
HR Customers	0	23%	30%	3%	33%	10%	0
HR Suppliers – in house	20%	26%	24%	0	26%	0	0
HR Suppliers - external	14%	14%	6%	6%	26%	20%	14%

Source: Compiled by author

Favourable comments, particularly from HR suppliers, focused on the strategic level role for HR and HR’s contribution to value for the business. On the other hand, HR customers, even in positive comments about the function, recognised a wider issue of



inconsistency of perceptions within BT based on the differing quality of experiences gained by people in their interactions with HR, as illustrated in Table O.2.

**Table O.2:           Perceptions of BT’s Attitude to HR – Positive**

<p><b>HR CUSTOMERS</b></p> <p><i>I think on the whole pretty well respected. Can be patchy, depends on your line HR person or team - luck of the draw - some can be good, others awful. But pretty much respected. (HRC26; S19)</i></p>
<p><b>HR SUPPLIERS</b></p> <p><i>The company's expectations have changed. They now expect the generalist HR role to be more strategic and more business focussed. (HRS20; S16)</i></p>
<p><i>HR is seen as an important part of the lines of business. We work strategically with our partners to ensure that we add value. (HRS2; S13)</i></p>
<p><i>BT line of business generally view HR as a necessity of the organisation so it's at least a necessity, and in some areas seen as a benefit for change. This value is emerging as BT changes...At most senior levels increasingly seen as an agent for change...Pressure on HR to show added value and perform. Pressure transferred to e-peopleserve - good for us though that we can reinvent HR and demonstrate it is valuable. (HRS10; S18)</i></p>
<p><i>I don't have other companies to compare against. On the Board, I think HR is considered very highly. Strategic input by HR on Executive Committees is a big influence in company. Also helps who these people are - respected outside the company. (HRS8; S18)</i></p>

Source: Interview Data

Moving to the centre of the range of observations where perceptions were mixed, both the positive and negative aspects were highlighted by both sides (Table O.3). In addition, both sides recognised that the nature of the managers' experiences with HR were dependent on who in HR they were in contact with. Individual performance and attitude of the HR contact thus appeared to be a substantial influence on the managers' resulting opinion about the experience. There was also identification of links to a previous era within the firm, when Personnel was more of a controlling function within a bureaucratic structure, which hasn't been fully eradicated in the new BT or HR. Furthermore, some concern was repeatedly exposed with regard to availability of HR to those not at the strategic level.



Table O.3: Perceptions of BT’s Attitude to HR – Mixed

<b>HR CUSTOMERS</b> <i>I think it's very patchy, there's not an homogenous view of HR. Depends on experience of who they have doing it – ranges from very good to dreadful. (HRC14; S19)</i>
<i>I think it's quite mixed. There's an increasing view that unless you're a senior person, it's difficult to get hold of the HR person. On the whole people find them pretty supportive but problem of responsiveness, particularly if you're further down the chain. (HRC30; S20)</i>
<b>HR SUPPLIERS</b> <i>I think depends on where people are and depends on the service they receive from line HR. Some places it's invaluable, others waste of time for them. For Group HR, there's mixed emotions. Some people maybe consider us to be controlling and some people think we're invaluable to the business. Depends on personal relationship and individual involved. (HRS11; S18)</i>
<i>I think in BT Wholesale it's highly regarded but I think the HR role in BT varies. Good friends in other parts of BT who are in similar jobs - their role is more of a policing type role. We've taken a different path. The more a policeman you are, the less regarded you are. (HRS20; S18)</i>

Source: Interview Data

The negative comments, particularly from the HR side, identified some clear divisions between the in-house and the external suppliers. This was an interesting role development since most of the respondents recently worked in BT before transferring to e-peopleserve. The relationship between the line of business HR departments and Group HR also appeared to include some tensions. A number of the remarks pinpoint areas where issues of communication are involved (Table O.4).

Table O.4 Perceptions of BT’s attitude to HR – Negative

<b>HR CUSTOMERS</b> <i>Bit remote maybe. A little bit remote. All divisions have own HR - a bit confusing really - group HR, e-peopleserve etc. (HRC13; S19)</i>
<i>A burden, literally a burden. There is still a lack of understanding about the tiered approach BT has put in place with HR. Three points of entry - Intranet, e-peopleserve and HR Account Managers. 1) information on the Intranet is not maintained 2) people don't understand what e-peopleserve is to do 3) they don't know who the HR people are. (HRC29; S19) (previously in HR)</i>



<b>HR SUPPLIERS (EXTERNAL)</b> <i>I think it's regarded as a load of square nerds - the bane of their life. A lot of forms to fill in, the red tape department who are seen as the most boring people in the world. (HRS27; S18) (external)</i>
<i>Some people in BT still see it (HR) as the necessary evil that all large corporates have to have and a drain on company resources. (HRS3; S11) (external)</i>
<i>HR has a poor reputation within BT, probably because of the historical heritage (many BT people are 'lifers'). HR is regarded as inefficient, and of no real help in managing difficult situations, which is probably the only occasion when their advice and expertise is actively sought. (HRS4; S13) (external)</i>
<b>HR SUPPLIERS (IN-HOUSE)</b> <i>Group HR is not very highly regarded from HR in lines of business. (HRS19; S18)</i>
<i>Not very well. It's seen as fairly wishy-washy and blue sky stuff, lots of theory but no pragmatism. (HRS1; S18)</i>
<i>Within BT as a whole, not even on people's radar - sometimes we get very full of our own self-importance. On a day to day basis most would only consider HR if there was a problem – sick pay etc. - you would need to speak to Personnel - and that's how they still consider it, not HR. Top management wouldn't think high on their agenda. We have to be realistic - not biggest revenue chain. (HRS7; S18)</i>

Source: Interview Data

This attitude toward top management on the part of HR is also reflected in the consideration of HR's worth to the senior management within the company. Thus, a number of comments from HR suppliers appeared to separate senior managers from any connection with the HR Intranet or indeed, with the function itself. For instance, this was reinforced by a comment from a Divisional Board level HR Director to the BT Group HR contact (2000) that '*senior managers don't know or care about what HR services they're getting*' (HRS contact1: S2).

## 1.2 Managers' Attitude to HR

The managers' attitudes to HR again reflected a division in the perceptions of individuals based on differing experiences (Table O.5). Thus, there were those who appeared to have benefited from a closer relationship with their HR Representative and this reflected positively on the attitude adopted towards HR, while for others, a lack of



communication and information have negatively affected their viewpoint. There was also a concern about the rationale for decisions being made by HR, whether on an individual basis or on a wider remit, which may be due to lack of either formal or informal information channels, but they were opinions that had been articulated on at least one occasion and maybe more.

**Table O.5:       Managers’ Attitudes to HR**

<b>HR CUSTOMERS</b> <i>I think it's viewed as a useful part - when vacancies arise etc. I ask my rep. Deemed as centre of information. Managers understand need to liase with HR in times of sickness etc. (HRC4; S19)</i>
<i>Own experience, I think I feel they are more open and readily available. A number of people don't believe some changes are for the best, but overall, a lot more people are involved with HR and see them as more approachable than before. (HRC17; S19)</i>
<i>I think, my own personal impression, they're practically non-existent, unless you do have a particular problem e.g. discipline is a good example, otherwise you don't have that much contact with anyone in HR anymore. (HRC6; S19)</i>
<i>Waste of time, because we don't know what's going on. We're not kept well informed. I don't know who my HR rep is. (HRC19; S20)</i>
<i>I've got to say, level of exposure, a generalisation and my view point, is that you get information passed down but don't have that much contact with us at all. I was going to mention Ivory Tower. I couldn't name my HR rep but I suppose I could find out from a Web page in a couple of minutes. (HRC7; S19)</i>
<i>Sometimes HR decisions made, especially at a high level where you wonder where they got the information from and even our HR people don't know. (HRC8; S17)</i>
<i>Well, can't speak for BT but within my units, better remain best friends with them (HR) if I want to survive. A hated one may be on another sector. Almost as important as your boss – scary - they carry as much weight but far less capability. Less capable and less intelligent, making decisions about your future. (HRC2; S20)</i>

Source: Interview Data



APPENDIX P: MAIN STUDY – SUPPLEMENTARY FINDINGS II

2. THE INTERNET

As a major international telecommunications company, BT was an early adopter of Internet technology into the work environment, with some of the managers who had been involved in this identifying that they had used the Internet for nearly ten years. Several of the managers are also responsible for BT’s external Internet connections and websites as their work role.

2.1 Experience of the Internet

All participants used the Internet as part of their work role, and had been doing so for an average of 4 – 5 years. There were no respondents who could be regarded as novices or inexperienced. Several mentioned its increasing importance to their role over the last year (Table P.1).

Table P.1: Use of Internet at Work

<b>HR CUSTOMERS</b> <i>Yes, a fair amount, probably 30/40% to check details, look at information, people’s telephone numbers, lot of communication through the Internet. (HRC3; S22)</i>
<i>Oh, yes, use it to look at mainly stats on the Internet. Use for HR daily reports and for checking understanding and clarification of processes. Manage my team on the net, really all our stats on the Net. Last 6 months, it’s really changed and can monitor all of my people on the net at any one time. (HRC8; S22)</i>
<i>At BT, I use it a lot for internal BT website, BT Today, customers’ websites, information, research. My first point is the Internet if I need anything. Before I used to have long meaningful conversations with people, now straight to the Internet. (HRC18; S24)</i>
<b>HR SUPPLIERS</b> <i>Currently I use it for research on European practice, I use it to get background info on potential suppliers and products. Intranet, client based policies and procedures, keep abreast of that. News channel of companies we support, we have most people management transactions via the web. (HRS23; S23)</i>



*Whole bunch of stuff - Internet/Intranet sites here. Intranet- source of all documents, policies, sets of information, go into as you need them, e-enabled things such as expenses, time recording. Internet - just very useful way of getting external data, legal databases, salary review databases, market pay rates. (HRS25; S23)*

Source: Interview Data

2.2 Influence on Use of the Internet at BT

The unprompted responses to the open question of what most influences the managers to use the Internet overwhelmingly cite its availability and ease of access. It was also recognised that its influence was continually progressing and for some activities it was now the only way of being carried out (Table P.2).

Table P.2: Influence on Internet Use at Work

<b>HR CUSTOMERS</b> <i>The fact that it's on my desk and readily available and so easy just to go into - ease of use. I suppose the main influence drawing me to the web is the need for information and to keep up to date. (HRC15; S28)</i>
<i>Fact is that it's a prime source of information and because it's available...I find out as much as possible before making the phone call, then the phone call is higher quality. (HRC3: S29)</i>
<i>For some things it's the only way I can do things e.g. raise a purchase order. In the States, colleagues have to log on and off, if they don't it affects their pay. That and keeping abreast of changes in the company are the most significant. Speed of dissemination. (HRC18; S27)</i>
<b>HR SUPPLIERS</b> <i>I suppose speed and time, if I want to find the rate of RPI in August 1998 a very quick way of doing it. The other thing is that it's easy to use here, it's here in front of me and on - ease of access. If it wasn't on my desktop and I had to go and switch it on, I probably wouldn't do it. (HRS25; S26)</i>

Source: Interview Data

2.3 Home Use of the Internet

BT provides remote access for a large number of its managers and well over half of all respondents identified (unprompted) they had remote access. While many used the



Internet at home, there were a number who did not or did not use for leisure activities. There was an attitude on the part of some participants that work and home life should be kept separate, which using the Internet would interfere with (Table P.3).

Table P.3: Home Use of Internet

<b>HR CUSTOMERS</b> <i>No. No requirement. I've better things to do with my time. (HRC14; S26)</i>
<i>I don't use it at home and I have remote access, when I use it at home it's for work. No leisure activities at all - if there's anything I need on a personal level I do it in my lunch hour or remotely but apart from that I've never felt the need. (HRC21; S25)</i>
<b>HR SUPPLIERS</b> <i>I don't use it at home. I don't have time. If I didn't have it, I'd want it - twice a year to look at price of car or holiday. Last thing I want to do at home is be at my laptop. (HRS27; S24)</i>
<i>No, because I try to divorce work life from home life. Don't use for any leisure activities. (HRS7; S24)</i>

Source: Interview Data

2.4 Satisfaction with the Internet

When asked about their opinion of the Internet, one customer and four HR people (out of 60 respondents) had a predominantly negative view of the Internet. The majority were very positive although there was recognition of some of its downsides (Table P.4).

Table P.4: Opinions of the Internet

<b>HR CUSTOMERS</b> <i>It's an amazing creation. It's opened up a whole world of information and opportunities. It's accessible to everyone, even if you haven't got it or can't afford it you can go to a library or an Internet café. (HRC21; S26)</i>
<i>I'm sure it's a very useful tool but I don't use it. Don't believe it's secure enough, I wouldn't shop, but useful for finding info. (HRC19; S28)</i>



<b>HR SUPPLIERS</b> <i>It's fabulous but I'm still a little bit, even after all the years of playing with technology, it's still a new toy and I don't think we've begun, well certainly I haven't, to realise its capability. If we really look at what it's capable of, it's only restricted by our own imagination, I know that's a bit of a cliché but it's true, little things that I now take for granted, I was really excited about a year ago. Great for all the obvious things, holidays etc. (HRS3; S29)</i>
<i>I think it's time consuming and don't find it easy to use. Annoys me - sends me e-mails, briefings with links to web sites - I hate that. I can't be bothered to have to click through, drives me nuts. (HRS19; S25)</i>
<i>I think it is an extremely powerful tool but I personally don't like it as I do not relate to technology very well. I find it hard to read long documents on screen as they don't hold my attention. I worry about the security of the Internet and its access and influence towards young people. (HRS2; S20)</i>

Source: Interview Data



APPENDIX Q: MAIN STUDY – SUPPLEMENTARY FINDINGS III

3a. Where the HRIA is Strong in Meeting Managers' Needs

Both HR customers and suppliers identified broadly the same strengths of the HR Intranet (Table Q.1). Speed of access to relevant information, particularly about policies and procedures was mentioned most frequently. Four customers specifically cited e-Gatekeeper as a particular strength, however this is not operated by the HR function but by the Finance department. The HR intranet appears to encompass many issues concerning communication, both positive and negative.

Table Q.1: Perceived Strengths of HRIA

<b>HR CUSTOMERS</b>
<i>I think one of the key things, e-Gatekeeper, can change a lot of things yourself - no form, boss to sign, etc. Ten times better, lot more sophisticated. On whole relatively easy to find stuff, but at times could be better. (HRC30; S33)</i>
<i>I think it's the communication of complex issues which in the past have required massive documentation. Linking and bookmarking have made it much easier than a 30 page policy document. Issue control is much easier, no need to keep paper copy of a 30 page document and it's got an old date on it. (HRC9; S31)</i>
<i>Good dissemination of info, but too much of it. Thing I like about it though, good information about rules and regulations, good from that point of view. (HRC1; S29)</i>
<i>Well, good access to available jobs circulated through company. Information packages, benefits entitlement. Lots of places to find info on process and remove murky waters on discretionary items - should lead to fairness in decision making in theory. (HRC2; S32)</i>
<b>HR SUPPLIERS</b>
<i>Because it's giving them that sort of data and access quickly, not waiting for someone to come back and say it's been done, copy of policy in internal mail takes 3 days. They can dictate pace rather than have it dictated by other people. BT a 24/7/365 organisation - HR organisation isn't and wouldn't want it to be, but can access this stuff (if you have a laptop) you can access this anytime and do what you want. (HRS25; S30)</i>
<i>Main one is policy documents e.g. annual leave, Xmas parties, sickness etc. We have a policy for everything and it's all on the Intranet. Whether the line managers know they're there, I don't know. (HRS8; S32)</i>

Source: Interview Data



### 3b. Where the HRIA is Weak in Meeting Managers' Needs

A number of factors that were identified as strengths of the HR Intranet, were also cited as weaknesses (Table Q.2). In addition, several customers mentioned the issue of customer focus, so that the design of the site should be geared for their needs and not those of HR. There were also several comments about the presentation and content of the site not meeting managers' expectations. A number of comments raised issues, which appeared to be able to be solved through timely communication.

Table Q.2: Perceived Weaknesses of HRIA

<b>HR CUSTOMERS</b>
<i>There is a lack of current, good quality information. If rising issues like pensions etc. aren't tackled, pointless notice board, and then not responding to them - adds fuel to flames. (HRC1; S30)</i>
<i>The bit that doesn't stand out to me, linkage from corporate stuff to local activity. Is there any difference? When I tried to get HR to give me local info on annual leave, no willingness to cover that bureaucracy. Void between what's published - corporate procedures and what's valid locally. (HRC22; S32)</i>
<i>I think like so many web-based applications it isn't written from user's perspective. HR people are creating it in way they'd use it. (HRC25; S31)</i>
<i>In presentation and content. Presentation not good. Content is weak, it's boring, not what I call sexy. Go into e-HR services, it's in greys and dull purples. Sites I've seen such as Unisys etc. they're colourful and dynamic, basic tenets of Internet design. The content is diabolical in that it's not maintained. If I want to know what the maternity process, annual leave policy, can't find it quickly and easily, these are fundamental to what people want to know. Core essentials for customer needs and discuss it with line managers and customers to see what we want. Get asked where it is by other people, I say speak to line HR, don't know who it is or speak to e-peopleserve but don't know who they are. If e-peopleserve at the Call Centre have this text in front of them why isn't it online as well. (HRC29; S32)</i>
<i>Fails where it doesn't capture audience and make you want to stay. I use it because I have to but doesn't make you want to stay. (HRC27; S31)</i>
<i>Even weak in giving a consistent or consolidated view of a process - the annual review process has some duplicates over different points in the site, details somewhere, forms somewhere else again. (HRC28; S34)</i>



**HR SUPPLIERS**  
*In connecting different types of information about individuals e.g. learning records and appraisals, we keep bits of information but they're not readily connectable by both managers and individuals. (HRS10; S31)*

Source: Interview Data



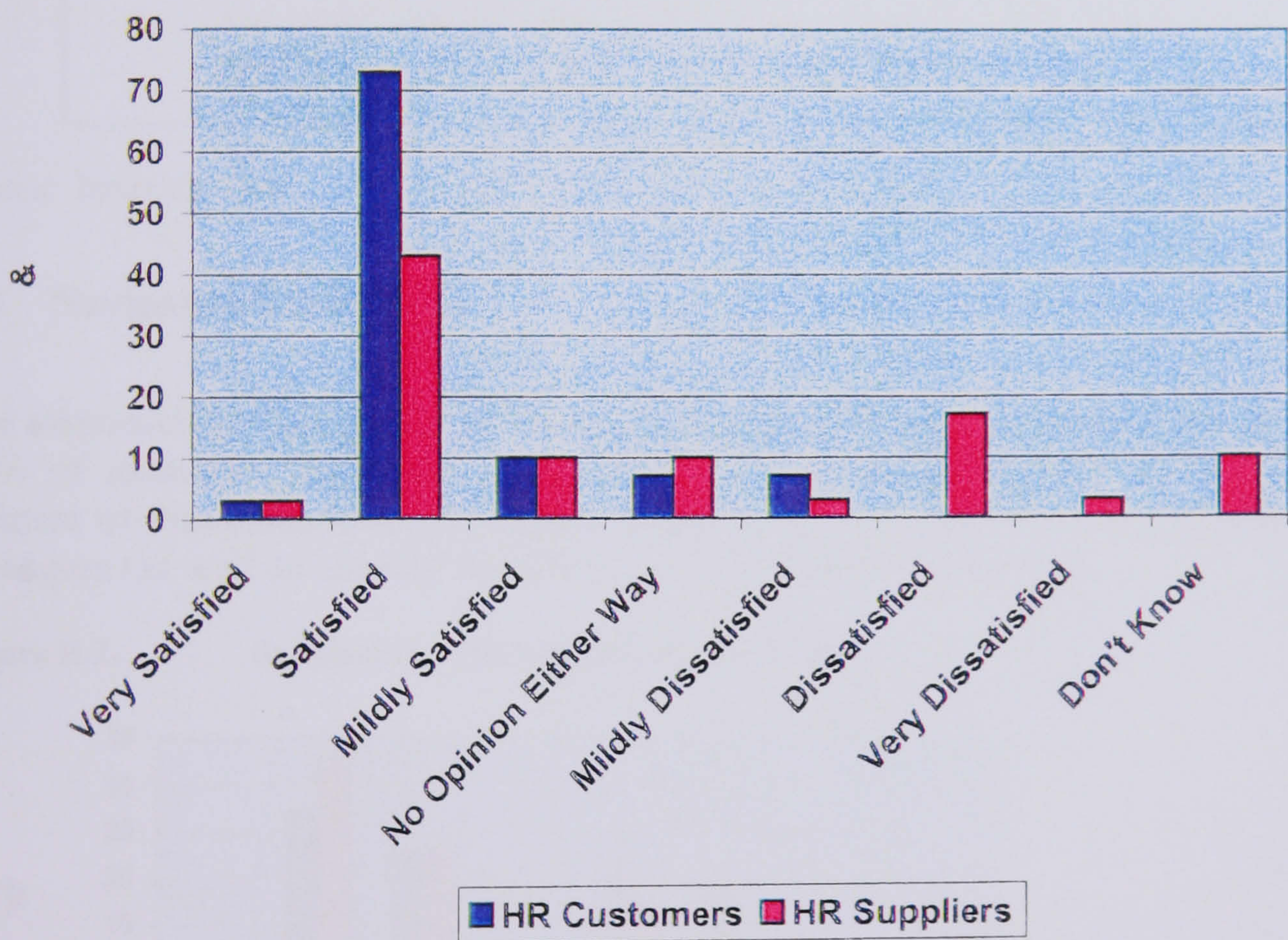
APPENDIX R: MAIN STUDY – SUPPLEMENTARY FINDINGS IV

4. SATISFACTION WITH HRIA TECHNOLOGY

4.1 Speed

The general response to the speed of the system was predominantly satisfied on the part of the HR customers, although HR suppliers gave a higher dissatisfaction rating (Figure R.1). Most issues with speed were to do with server problems and remote access. These were not specific to the HR Intranet but to the general operation of the BT Intranet where remotely, for instance, connection speeds appeared to be slow. HR could be responsible for speed reduction in such areas as pages containing heavy graphics content, slow page loading process or the requirement for many ‘clicks’ and page layers to get to the desired information.

Figure R.1: Satisfaction with Speed



Source: Compiled by author

Customers were much more certain in their comments about their opinion on speed than HR, although individual expectations and what was acceptable for them, influenced the rating given. HR suppliers were more likely to recognise the variations between remote and office access (Table R.1).



Table R.1:       Comments About Speed of HRIA

<b>HR CUSTOMERS</b> <i>Factor of so many things, where you are etc. On the whole good as any other element of the Intranet. Satisfied, fine. (HRC26; S37)</i>
<i>Fine, if you know where you're going, then in terms of speed, still lots of clicks and keep digging down for a long time. Speed of response to click is good but have to keep opening pages and go back which is not efficient use of time particularly if HR role is not one of your core jobs. (HRC11; S32)</i>
<b>HR SUPPLIERS</b> <i>Difficult for me to say, haven't heard anyone directly comment. No opinion. Outside of the UK main stumbling block, speed has halted one of our implementations. Problem with remote access is general, not just HR. Don't know really. (HRS28; S36)</i>
<i>BT Centre can be a bit unreliable, ironic but overall speed is good. Not good remotely, lots of frustration. Satisfied here. Mildly dissatisfied remotely. E-mail - very dissatisfied. (HRS29; S37)</i>

Source: Interview Data

4.2   Navigation/Ease of Use

The responses for navigation and ease of use of the HR Intranet were more divided with 57% of managers indicating some degree of satisfaction against 40% who felt an element of dissatisfaction. HR suppliers also rated navigation as more satisfactory than managers (as well as causing them less dissatisfaction) (Figure R.2).

Figure R.2:       Satisfaction with Navigation/Ease of Use



Source:   Compiled by author



Table R.2:       Comments about HRIA Navigation/Ease of Use

<b>HR CUSTOMERS</b> <i>I find the HR pages are good. Satisfied. (HRC26; S38)</i>
<i>For specific items has changed fairly recently, period over change I couldn't find things but not with the A-Z, I use that now - shows by type, if I don't know name, then it will show me. Easy to navigate around. (HRC3; S26)</i>
<i>No problems with that, can normally find. Satisfied. A member of my team is excellent (has degree in IT) sorts out my problems. (HRC17; S34)</i>
<i>Yes, I think it's now very easy to find information you want. Problems 6/12 months ago, took so long, now it's quicker and information is very easy to find. (HRC8; S56)</i>
<i>At the moment if you go to the Retail HR website, difficult to find different things, so go to Group site. Ease of finding things could be better. Mildly dissatisfied. (HRC30; S34)</i>
<i>I didn't find it easy to do on the Net. I rummaged around, not able to find what I wanted, it's quicker to ring someone up. (HRC13; S23)</i>
<i>Like we said earlier, one bit of info on screen and lots of drilling down- irritating. Dissatisfied. (HRC19; S37)</i>
<b>HR SUPPLIERS</b> <i>I also think what might be a problem is for managers to find where the information is - to navigate the site - I know it's there but it even takes me a while to find it. (HRS22; S32)</i>

Source: Interview Data

4.3   Ease of Access

This was a category where HR suppliers were less satisfied than HR customers (Figure R.3). This was also an area where parts (such as the access required to the BT Intranet) were outside of HR control. Other aspects, such as links in the HR Intranet that connect to other sites, which were within HR’s control, could cause delays. Access could also be affected by secure logging on systems (for e-HR), but this did not appear to be of major concern from the comments given (Table R.3).



Figure R.3: Satisfaction with Ease of Access



Source: Compiled by author

Table R.3: Comments About HRIA Ease of Access

<b>HR CUSTOMERS</b>	
	<i>Pay slips need to log on, do monthly but I forget my password and have to register, and every time I go to HR site, generally, not a problem. Mildly satisfied. (HRC10; S41)</i>
	<i>For access to Group HR, satisfied. For Ignite HR, dissatisfied. No duplication/overlap between the two. (HRC29; S41)</i>
	<i>Again neutral, some are easy to get to, finding others is a problem. (HRC14; S41)</i>
	<i>When it works well, no one really thinks about it. Dissatisfied because of access problems and delays. You remember all the times you can't get on and because the telephone number is on the Net you can't ring anyone. (HRC12; S37)</i>
<b>HR SUPPLIERS</b>	
	<i>Once you're there, it's fine but it's getting in, very dissatisfied remotely; in office, satisfied. (HRS25; S40)</i>
	<i>Varied, if core site, in office everyday satisfied. If access remotely, some frustrations. Mildly satisfied. (HRS17; S39)</i>



*That can be dissatisfactory in some parts, difficult to find the links.  
We're promoting a tool bar now for the e-pl services. (HRS10; S40)*

Source: Interview Data

4.4 Security

Security was a category where both HR customers and suppliers appeared relatively satisfied with 80% and 77% in a satisfactory category respectively (Figure R.4).

Although there was general satisfaction with security from both sides, there was also an element in some comments of slight discomfort and uncertainty (Table R.4). Security was an issue because sensitive information such as pay details, home address etc., was potentially vulnerable and where any lapse in the system which was made known might cause this state of satisfaction to reverse quickly.

Figure R.4: Satisfaction with Security



Source: Compiled by author

Table R.4: Comments About HRIA Security

**HR CUSTOMERS**

*Interesting. I'd say it's not as good as it ought to be given the type of things on there. I think reasonable but room for improvement. Mildly satisfied. (HRC2; S40)*



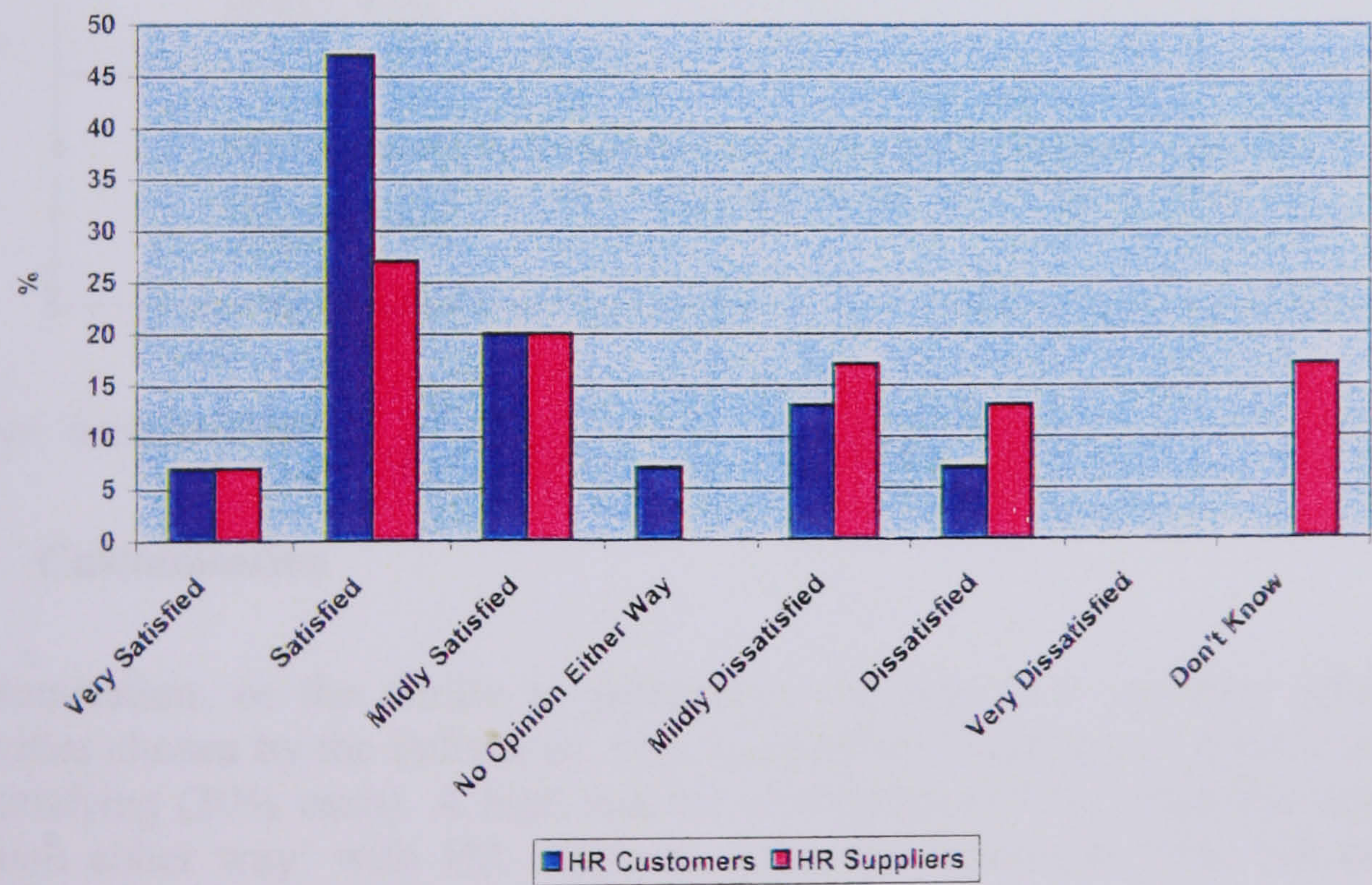
<p><i>I've never had any indication it's not secure. No opinion. I've never felt need to put anything on there that I'd worry about. If CV or APR - I would want to be sure it's treated with security. Pay Slip? I do that. (HRC10; S39)</i></p>
<p><b>HR SUPPLIERS</b></p> <p><i>Mostly satisfied, but a bit twitchy about break up of organisation or not and even with own customers bases, so more focused on security then they have ever been. (HRS5; S38)</i></p>
<p><i>My impression security is very good. I would say managers are very satisfied. (HRS10; S38)</i></p>

Source: Interview Data

4.5 Presentation

Overall, the presentation of the site was felt to be reasonably good, although 20% of customers and 30% of HR suppliers regarded elements as unsatisfactory (Figure R.5).

Figure R.5: Satisfaction with Presentation



Source: Compiled by author

Some respondents recognised that the HR pages lacked appeal to draw users onto the site, while others identified specific aspects which they personally looked for in effective website presentation based on their own expectations and experience (Table R.5).



Table R.5:       Comments About HRIA Presentation

<b>HR CUSTOMERS</b> <i>New site is better. Very satisfied. (HRC12; S41)</i>
<i>Mildly satisfied. Not particularly exciting or compelling, no 'come in and look at this' type of approach. (HRC10; S40)</i>
<i>Comes back to same point, way it's presented is a turnoff. Difficult to find what you want, some things in obscure places where you wouldn't expect them to be. Not good. Dissatisfied. (HRC19; S39)</i>
<i>In terms of being exciting, no, dissatisfied. Not very good, but in terms of information listed there it's functional. (HRC29; S40)</i>
<b>HR SUPPLIERS</b> <i>From a usability point of view, satisfied, from a does it look really sexy, well no. Lots of discussion about this. One school of thought a web site should be interesting to look at, with colours and things to draw you in and I agree with all of that, but on an information site. On the other hand you have a transactional website should be clear, concise and only have on it what you need to carry out the task at hand, not cluttered up with anything to slow you down or distract you from doing the task in hand. There's probably a middle ground. (HRS3; S45)</i>
<i>Mildly dissatisfied, sometimes just too much on there. Someone learns how to use Flash and they're off! Over use of graphics. (HRS27; S40)</i>

Source: Interview Data

4.6 Customisation

Customisation, or the ability to personalise the site so it provides information and activities chosen by the individual, was regarded by customers as equally satisfying and dissatisfying (30% each). A high number of managers (37%) rated this category as 'no opinion either way' with HR suppliers rating no opinion at 30%. HR suppliers also identified dissatisfaction at 34% (Figure R.6).

There was currently very little opportunity for any customisation of the HR Intranet, although e-Gatekeeper (non-HR) and the e-HR sections provide access to personal information. The comments showed that the expectation of managers appeared low regarding capability of this category, although some could identify possibilities that would be useful for them (Table R.6). Customisation, seemed to be a technology push



category, in that people often don't consider the issue until it is illustrated as to how it could benefit them.

Figure R.6: Satisfaction with Customisation



Source: Compiled by author

Table R.6: Comments About HRIA Customisation - Managers

HR CUSTOMERS
<i>Don't think there is any. Satisfied because I don't think it's necessary. (HRC2; S37)</i>
<i>Don't think it does. Don't care one way or another. Satisfied. (HRC14; S43)</i>
<i>Don't know on that, don't know that it is personalised. I suppose nice if it was, and remember things you most often go to. Something that it doesn't do, some other websites do this, send what's recently updated. Mildly satisfied. (HRC16; S43)</i>
<i>Ah, I had heard of this, goes hand in hand with training. Have heard you can customise but don't know how to. No opinion. (HRC25; S42)</i>
<i>No, there's not anything that comes to mind that's tailored to my needs. But if I knew it was available I'd use it. (HRC3; S36)</i>



*There isn't any apart from the pay slip. I think this would be a real plus, relate to you as an individual and track you through BT. Currently treats you all the same. Dissatisfied. (HRC10; S42)*

Source: Interview Data

HR suppliers generally appeared to have higher expectations of the possibilities of customisation for managers, although there was recognition that for some managers, this wasn't an important consideration (Table R.6.1).

**Table R.6.1:      Comments About HRIA Customisation – HR Suppliers**

<b>HR SUPPLIERS</b> <i>Don't have opportunity for that. No opinion because they wouldn't expect to do this. (HRS6; S40)</i>
<i>No opinion either way, rather like training, picks up as you use it. If you don't use it, you don't miss it. (HRS12; S42)</i>
<i>I don't think there is any. Have an option to add more but a decision has been made that people don't want it. Not ready for it. If everybody starts new things at the same time, they switch off. Website only has 40% of its functionality, we could do it but it would complicate matters. (HRS13; S45)</i>
<i>I didn't think you could, but probably pretty neutral, would bother some but not bother others at all. (HRS25; S41)</i>
<i>I think we should be working towards a much more e-enabled approach, particularly on transactional activities. Much more smarter access, recognising individuals once you've logged on. This will make things much faster and more effective. We have a fairly big HR presence on the Internet and we'll work to more customisation for our business. We need what's fresh and current, headlined, up to date, changed daily. Don't think it is, or can be, customised to any degree. Dissatisfied.(HRS9; S29)</i>

Source: Interview Data

Both HR customers and suppliers were asked what aspects of the HR Intranet could be customised which managers would find useful (Table R.6.2). Given some of the previous comments, the researcher expected a number of non-responses, but in fact only five customers and one supplier could not come up with any suggestions. In particular, some respondents became quite effusive once they thought about the possible activities that could be customised for their own requirements.



Table R.6.2: Customisation Suggestions for HRIA

<b>HR CUSTOMERS</b>
<i>Nice to customise for own headings, so terms most familiar and meaningful to you. Menus are not clear and have to go to several buttons, solution to a bad problem. Why should I do their job for them? (HRC6; S81)</i>
<i>Personal portal. Welcome &lt;name&gt;, since you were last in these changes have occurred, here's your pay slip and here's a speech by John Steele. Here are the latest training programs you may be interested in. If any consultants used in business, must be, I'm supplying consultants outside, it's taken 2 weeks for me to see an e-mail that directly affects my role. My HR consultant hasn't spoken to me, doesn't know what I want. (HRC29; S75)</i>
<i>I guess the fact we work in Wholesale there must be things that only apply for us, tailored towards our division would be a start. (HRC9; S80)</i>
<i>I think for me it would be brilliant if they said job title and all relevant stuff for a sales consultant came up on first page - everything - your car policies, events, training for sales consultant - that would be brilliant. Add buttons for what you need. (HRC19; S81)</i>
<i>I suppose things like some key basic things - pay scales, annual leave entitlements, relevant to you and your team - make it specific. People with field people, engineers - different needs, terms and conditions etc., so needs to be personalised. London one hour a week less, London weighting stopped for managers. Leave - I don't know what new leave entitlement is - maximum leave is now 30 days (we have extra 2.5 days) but don't know. 3 or 4 different pension schemes etc. shares etc., confusing. I know more information from Union than HR. Balance in pay - male/female, ethnic minorities - nobody could tell me how. Someone from an ethnic minority queried approach related to performance, line managers not told how it's worked out. (HRC19; S81)</i>
<i>Great if in terms of finding information if the info is appropriate for the people that I manage for line management I need for my specific roles. I don't need to know about Health and Safety for climbing telegraph poles. (HRC28; S81)</i>
<b>HR SUPPLIERS</b>
<i>Comes from a personalised portal on the desktop which allows an individual manager to customise what services/access they want from the data repository and mixture of internal/external sites. Some people will find a document title 'Operations Policy' and read it as gospel as to way European leg speaks, need to understand where the info sits within the big picture. (HRS23; S75)</i>



*In some ways, be like what job a person does and what info they need and each aspect a person needs... If someone came and sat down for half hour and showed me and set up for me, but just to say you can do this and send info is not enough. I've deleted something and I don't know what's going to happen now. Room to customise for people but not going to happen unless people are going to sit down and work through it. (HRS19; S75)*

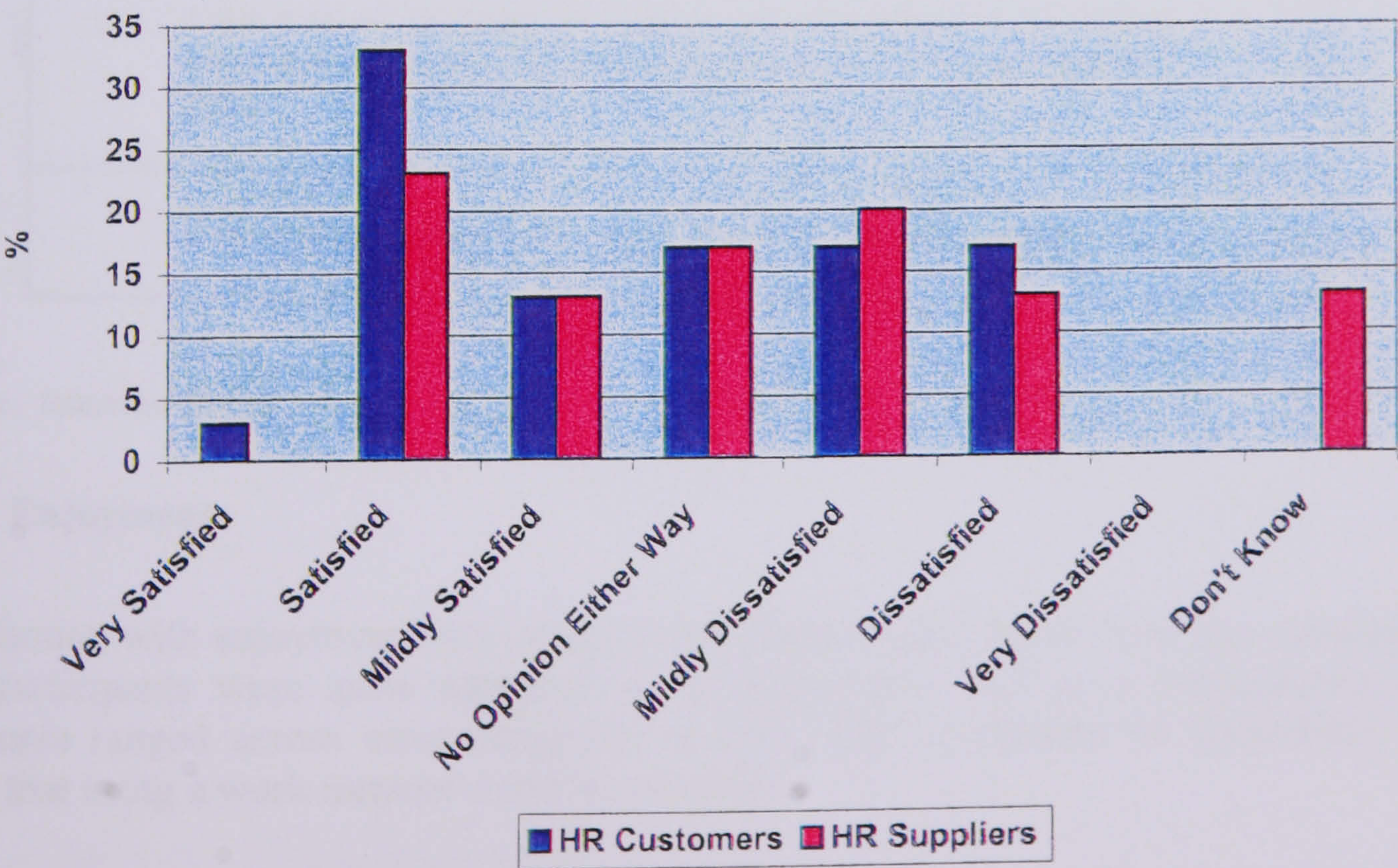
*A single log on, so log on once and you can access across everything, e-Gatekeeper etc. One of the things we're keen to do is make it an intelligent system, bit which you can personalise so that it can push sites to you that may be of interest to you e.g. if you're looking for recruitment, here's induction, registration for Employee Information Numbers, almost like 'have you thought of?' (HRS29; S76)*

Source: Interview Data

### 4.7 Interactivity

Interactivity, like customisation, was very limited within the operation of the HR Intranet and a number of respondents were not able to see the reasons why it would be useful. Thus, although interactivity was not really available (except for Computer Based Training) both HR suppliers and customers indicated that managers were satisfied with this (Figure R.7).

Figure R.7: Satisfaction with Interactivity



Source: Compiled by author



Over 50% of each group however, were either dissatisfied or had no opinion either way. Like customisation, this was a technology push category where managers needed to be shown how it could improve their role performance and bring tangible benefits (Table R.7).

**Table R.7:           Comments About Interactivity of HRIA**

<p><b>HR CUSTOMERS</b></p> <p><i>Not sure how interactive it is. Satisfied. (HRC22; S43)</i></p>
<p><i>Apart from Computer Based Training, no direct interaction, just flat data. Completely ambivalent I go there for information so if it pushes information at me it's acceptable. Does what I expect. Satisfied. (HRC26; S43)</i></p>
<p><i>Never perceived it to be an interactive process, so no opinion. HRC25; S43</i></p>
<p><i>Not a lot of interactivity - I don't suppose I have an opinion till I see it. I don't know what it'd be like. No opinion. (HRC27; S42)</i></p>
<p><b>HR SUPPLIERS</b></p> <p><i>If any, very limited. Dissatisfied. We ought to e-contact enabling supply relationship online, no reason why we don't deploy that internally if there was a need for it. On BT.com, Ask Jeeves, we aren't as sophisticated - enhanced search capability would be useful. (HRC10; S43)</i></p>
<p><i>I don't know. Probably no opinion, not dissatisfied. I don't know what their expectation is, probably don't expect it, boring. (HRS11; S42)</i></p>
<p><i>It isn't. If it is, haven't found any. Mildly dissatisfied. (HRS25; S42)</i></p>

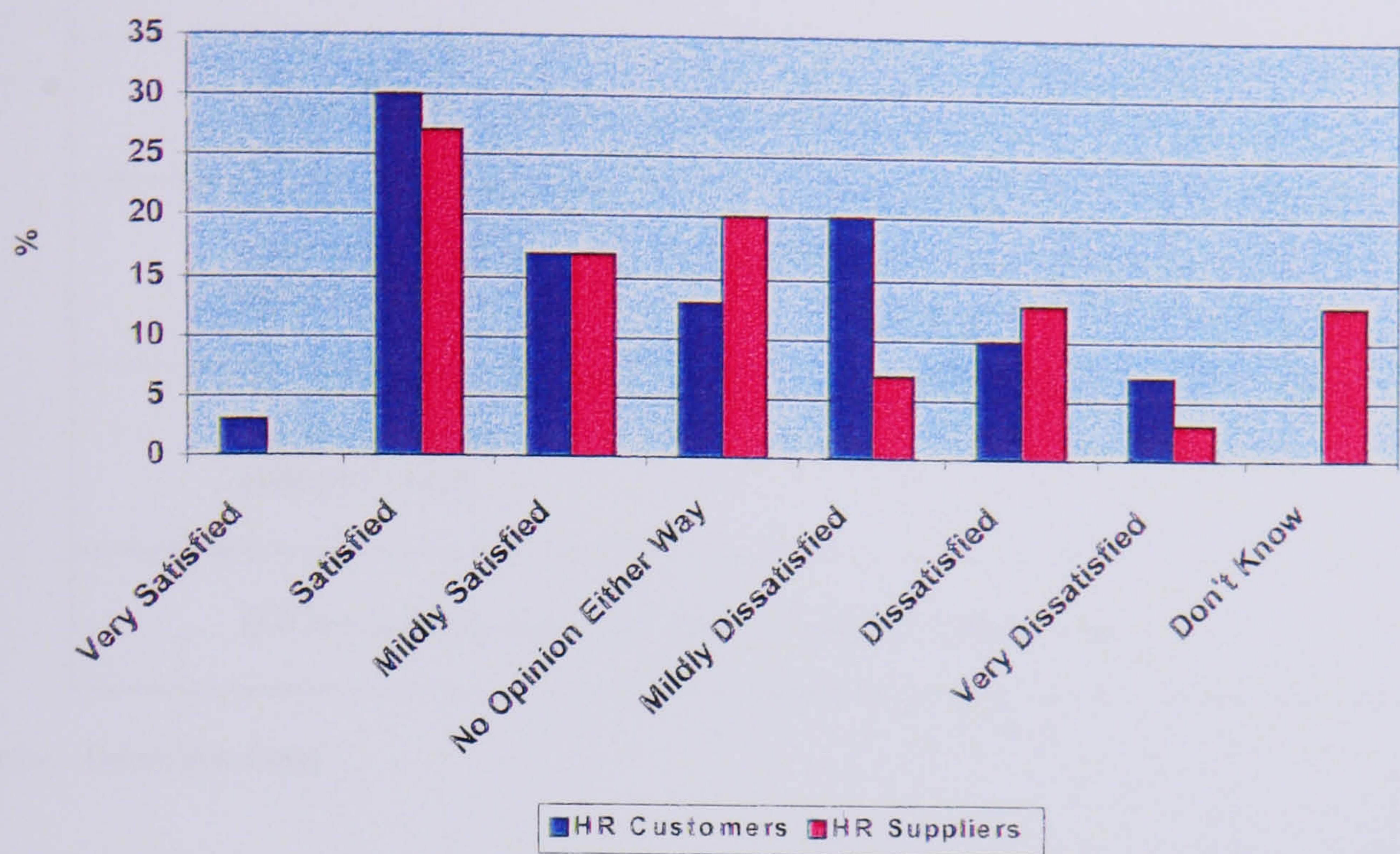
Source: Interview Data

### 4.8   Enjoyment

Satisfaction with enjoyment from using the HR Intranet (see Figure R.8) was something that participants were quite surprised to be asked about and as a consequence the responses ranged across most categories as there was an element of uncertainty for some that using a work intranet could be enjoyable.



Figure R.8: Satisfaction with Enjoyment



Source: Compiled by author

Enjoyment was a factor that most participants had not considered when evaluating their satisfaction with the HRIA. Accordingly some of the reasons given as to the classification selected do not always appear logical (Table R.8).

Table R.8: Comments About HRIA Enjoyment

HR CUSTOMERS
<i>Do I enjoy using it? If I can get what I want easily, very satisfied. I am satisfied that I can get what I want easily at any time. (HRC22; S44)</i>
<i>Hard to say, not expecting this, don't hate it, so satisfied. (HRC1; S42)</i>
<i>Ugh no! Unfortunately I don't go there for enjoyment. No opinion. (HRC10; S44)</i>
<i>Not really. HR things are problem solving or such as poor sick record, not for good news. Wouldn't say I look forward to it. Mildly dissatisfied. (HRC5; S41)</i>
<i>Don't think enjoyment can be considered. Don't even think it exists in design criteria. Dissatisfied. (HRC10; S43)</i>



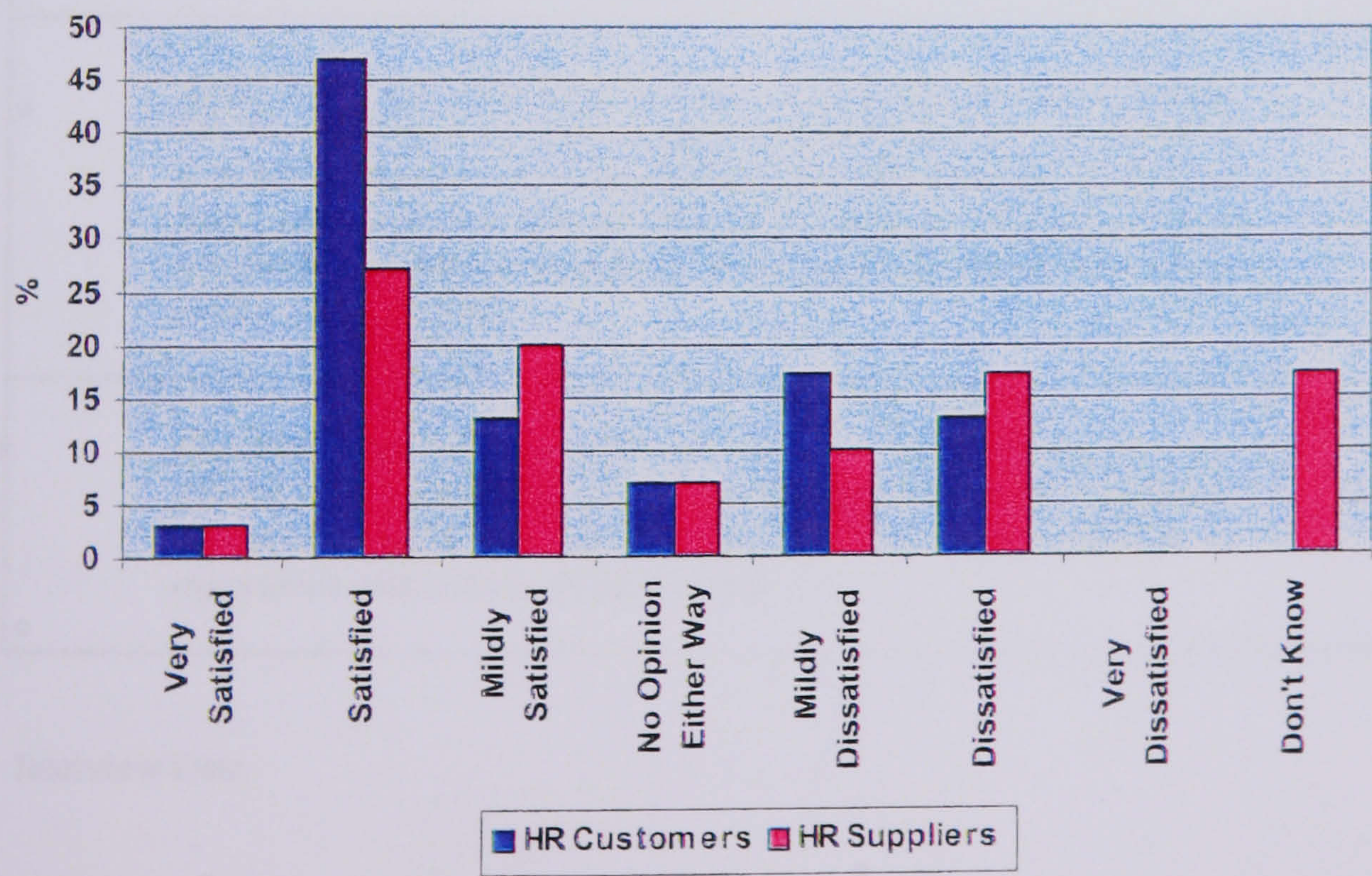
<b>HR SUPPLIERS</b> <i>Again satisfied, but managers don't go in with any substantial expectations. (HRS18; S44)</i>
<i>There isn't any. Mildly satisfied. (HRS1; S42)</i>
<i>Difficult, basically just an information dump. Mildly satisfied. (HRS6; S42)</i>
<i>No, I don't think so. Probably no opinion, they're not expecting it. (HRS11; S43)</i>
<i>If it's a criteria, they'd be very dissatisfied. (HRS23; S43)</i>

Source: Interview Data

4.9. Flexibility

Although over 50% of HR customers indicated some measure of satisfaction with the flexibility of the system, there were also a range of comments from both customers and suppliers, which denoted issues with this category (Figure R.9).

Figure R.9: Satisfaction with Flexibility



Source: Compiled by author



HR suppliers gave a wider range of responses and noted that the system was not in fact a flexible one. In particular, it was remarked that some further flexibility was available but as a service provided by e-peopleserve, it would come at an additional cost on a per use basis. Only some managers appeared aware of the nature of this service provision and charging situation. Several participants also acknowledged that expectations for flexibility might be low or non-existent (Table R.9).

**Table R.9: Comments About HRIA Flexibility**

<b>HR CUSTOMERS</b>
<i>Just satisfied because of indexing issue – needs to be well indexed, people call same thing, different things, lots of names for things, need to recognise that history. (HRC20; S46)</i>
<i>Bound pretty much. If I wanted to do one thing and then something else, not hugely flexible. Mildly dissatisfied. Don't use it a lot. (HRC26; S45)</i>
<i>A bit like customisation, not flexible. Dissatisfied. (HRC28; S47)</i>
<i>I don't think it's flexible. It's too rigid and constrained, no one's reviewed and changed that. Dissatisfied. (HRC19; S44)</i>
<b>HR SUPPLIERS</b>
<i>Probably very satisfied. If they have expectation, it's been more than met. (HRS18; S45)</i>
<i>Again middling, some times it's hard to get data beyond standard. The flexibility is there but at a cost. Internal charging - it's come as a shock to some what e-peopleserve are charging for these extra items such as phone calls etc. Way of the industry I suppose, there's a standard offering at no extra cost but extras all add up and can be costly. (HRS22; S41)</i>
<i>Flexibility between the different sites on the Intranet? It's not flexible, it's watertight, no connection between sites, inherently inflexible. I think this would be mildly dissatisfied, condition of experience and culture. (HRS10; S44)</i>

Source: Interview Data



APPENDIX S: MAIN STUDY – SUPPLEMENTARY FINDINGS V

5. CUSTOMER SATISFACTION WITH HRIA INFORMATION CONTENT

5.1 Accuracy

The overall rating for accuracy was high for both groups although several HR customers felt some element of dissatisfaction (Figure S.1).

Figure S.1: Satisfaction with HRIA Information Accuracy



Source: Compiled by author

Table S.1 presents a cross-section of comments about the accuracy of information provided on the HR Intranet. One comment of interest concerns the nature of the relationship between HR customers and suppliers and the element of trust required on the part of the managers towards HR. The comments also highlighted the different ratings by managers for what appeared to be similar concerns about accuracy.

Table S.1: Comments About HRIA Information Accuracy

HR CUSTOMERS
<i>Very satisfied, don't think I've ever found anything out of date or irrelevant. (HRC9; S50)</i>
<i>I think it's accurate. Quite satisfied. (HRC2; S50)</i>



<i>I'm a trusting sole and assume everything it tells me is accurate. Satisfied. (HRC26; S49)</i>
<i>Some of it isn't any more. Mildly satisfied.(HRC27; S48)</i>
<i>No opinion. Too much data there, can't pass comment. One is assuming it's accurate. Doesn't matter if site is up or quick, it's got to be accurate. (HRC15; S46)</i>
<i>I've nothing against which to assess. No opinion. (HRC10; S49)</i>
<i>Never sure whether it's accurate because things change so often. Contact name on there and the person's left. Mildly dissatisfied. (HRC19; S51)</i>
<i>I don't think it is always accurate which is very bad. Dissatisfied. (HRC28; S51)</i>
<i>Dissatisfied. For instance, hyperlink for sponsorship application - only 1 in 4 referenced documents was up to date and to try an actual owner who hadn't left the business, well, just gave up. (HRC21; S51)</i>
<b>HR SUPPLIERS</b> <i>I think it's very accurate and up to date, so managers should be satisfied. (HRS10; S49)</i>
<i>That would be neither; they won't know it's inaccurate. No opinion. (HRS23; S48)</i>

Source: Interview Data

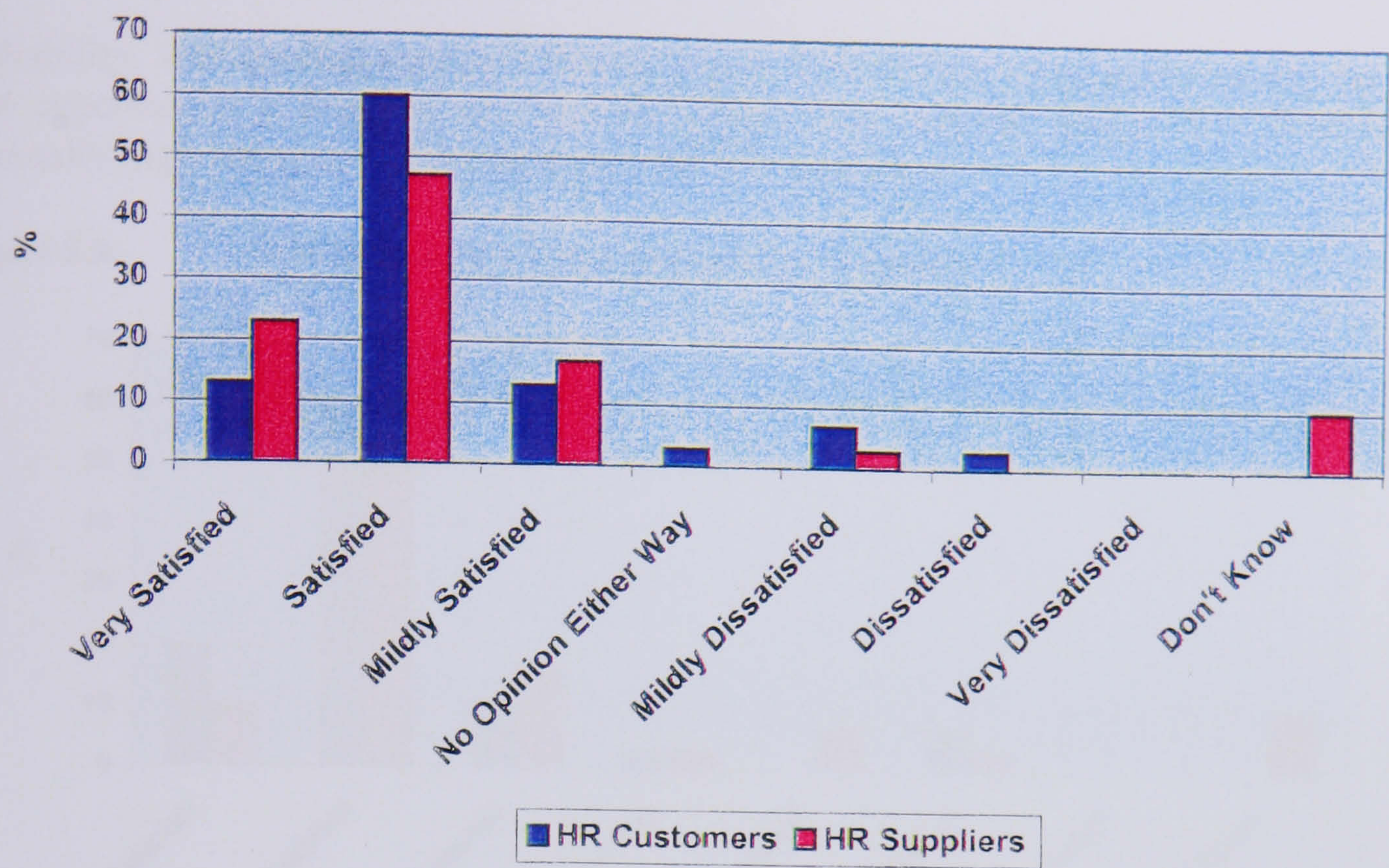
5.2 Usefulness

Usefulness, appeared to some respondents to be linked to other categories such as currency or navigation. Generally, this category scored highly with over 80% of both HR customers and suppliers allocating a rating in the satisfactory scale (Figure S.2).

Once again, the range of comments illustrated a slightly different meaning than the statistics had shown (Table S.2). A theme in the HR attitude to customers also continued with it appearing to be expected that if customers were satisfied with the Intranet, they shouldn't need further personal contact.



Figure S.2: Satisfaction with HRIA Information Usefulness



Source: Compiled by author

Table S.2: Comments About HRIA Information Usefulness

HR CUSTOMERS
<i>I think it's useful if you can find the content, but can't always find it and not always in format you can digest, so give up. Satisfied when you find it. (HRC19; S49)</i>
<i>When you can find it, mildly satisfied. (HRC26; S49)</i>
<i>That's variable. I think my impression, some areas not updated very frequently. When I go back I'm irritated it's same as before. Mildly dissatisfied. (HRC10; S50)</i>
<i>No, dissatisfied, because of the 2 things that I've used, training and rolling DPR process. It didn't work when we tried to use it. (HRC13; S51)</i>
HR SUPPLIERS
<i>Debatable point, HR person will say great, customer doesn't understand/ need short snappy info. We're improving. (HRS24; S35)</i>
<i>Satisfied but it doesn't stop them from coming to you and asking questions. (HRS12; S50)</i>

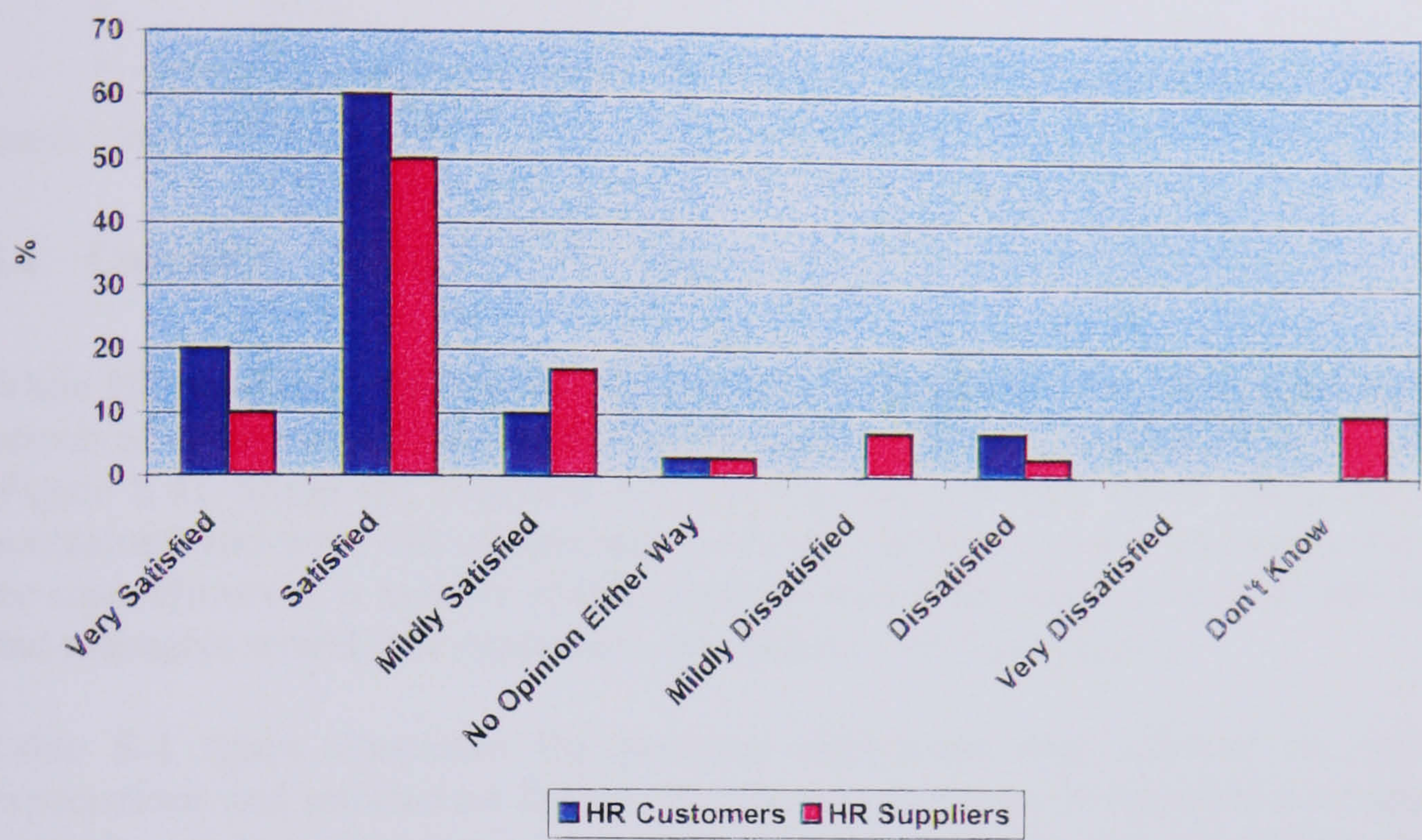
Source: Interview Data



5.3 Reliability

Reliability, was another category which tended to be found satisfactory unless the user had experienced a negative incident to change their opinion. Figure S.3 illustrated a generally high rating for both managers and HR suppliers.

Figure S.3: Satisfaction with HRIA Information Reliability



Source: Compiled by author

Once again, trust appeared to be at the centre of using information from the HR Intranet, and the more trustworthy the information was found to be, the more likely the manager would continue to use this source (Table S.3). The problem was if the site is found to be unreliable even through third hand knowledge, then it was likely that satisfaction levels would reduce.

Table S.3: Comments About HRIA Information Reliability

HR CUSTOMERS
<i>I haven't found anything with a glaring error. Satisfied. (HRC26; S51)</i>
<i>Yeah, fairly reliable. Satisfied. I suppose there's a trust there. (HRC10; S51)</i>
<i>In between, some not up to date, but you can get what you want I suppose. Mildly satisfied. (HRC27; S50)</i>



<p><i>One thing - problems with PDR and have to save things into Word because not sure of it. They're aware of it and addressing. I don't use that bit now. (HRC8; S45)</i></p>
<p><b>HR SUPPLIERS</b></p> <p><i>Probably on the whole satisfied, except for cock ups, so dissatisfied but very rare. Had a screw up, creation of job structure, job titles pre-loaded into live area where they shouldn't have been. (HRS18; S51)</i></p>

Source: Interview Data

5.4 Currency

While HR suppliers responded with a spread of ratings for how up to date the site was perceived to be kept, managers had a high satisfaction score with about 25% dissatisfied (Figure S.4). Some HR suppliers felt this was because they knew which sites are not maintained and were out of date and given the variable use by customers, this may be the case. However, a number of HR suppliers who made these comments also identified that managers would still experience satisfaction with this category.

Table S.4 again illustrated the personal differences that affected an individual's expectations and satisfaction ratings. The second quotation in the table is an appropriate example of one managers' approach and attitude, with the likelihood that other managers might not be quite so understanding or easy going. The element of trust was also highlighted particularly as a number of those in HR identified that some areas of the Intranet were out of date.

Figure S.4: Satisfaction with HRIA Information Currency



Source: Interview Data



Table S.4:       Comments About HRIA Information Currency

<b>HR CUSTOMERS</b> <i>I assume it's up to date. Satisfied. (HRC2; S53)</i>
<i>For my use, satisfied. If I went to page and it's all out of date, I would just ignore it. If I sat and thought about it, it wouldn't anger me. I'm very easy going, I'd find it elsewhere. (HRC29; S52)</i>
<i>Yes, satisfied. Can't think of any occasion when I've seen out of date information. (HRC4; S53)</i>
<i>You don't necessarily know if it's out of date, nothing to disprove that. Satisfied. (HRC6; S54)</i>
<i>Wouldn't know, would you? No opinion. (HRC16; S53)</i>
<i>Not always. I'm sure mentoring one is up to date, it's not changing but needs fresh content. Self teach pages – Finance was 1997, probably doesn't change but not reviewed. Didn't fulfil our needs, nowhere to go back and ask questions or make suggestions. Mildly dissatisfied. (HRC10; S52)</i>
<b>HR SUPPLIERS</b> <i>Managers probably think it's up to date all the time but we in HR know it's not. Satisfied. (HRS20; S50)</i>
<i>Depends, sometimes it is, sometimes it isn't. Annoying when page should have been reviewed 6 months ago but hasn't been. Mildly satisfied. (HRS19; S51)</i>
<i>I know it's not been touched since I left the team but at the time I kept it up to date. Not now, not very up to date. Dissatisfied. (HRS15; S49)</i>
<i>Dissatisfied. While the review date on page hasn't been reached every 6 monthsI don't consider that law, for instance, hasn't changed in that time. Each page needs to reflect subject matter not a time management system. (HRS28; S51)</i>

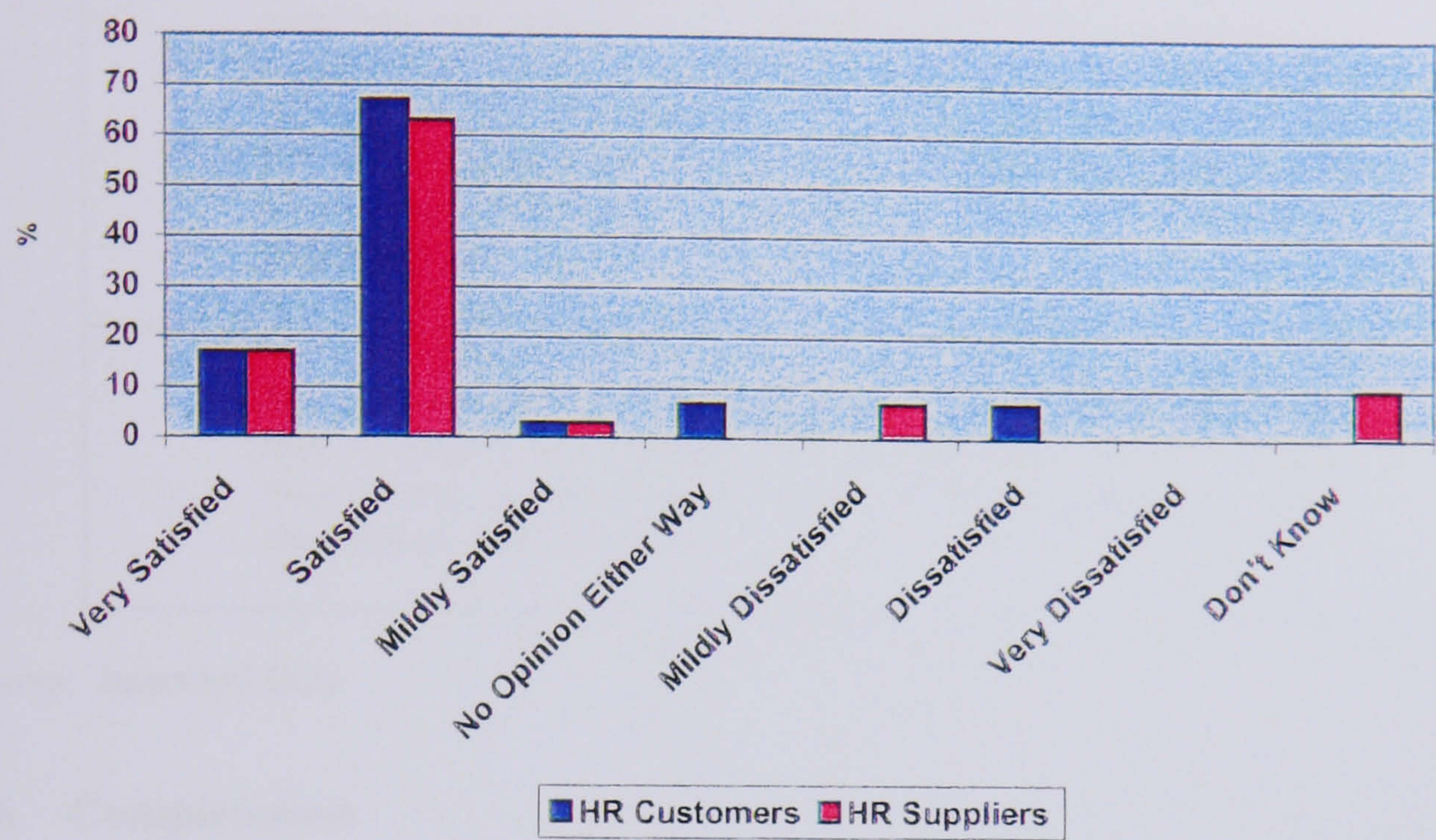
Source: Interview Data



5.5 Relevance

Relevance was scored highly by both HR customers and managers with less than 10% each rating any dissatisfaction (Figure S.5).

Figure S.5: Satisfaction with HRIA Information Relevance



Source: Compiled by author

Again, there were different perceptions on why relevance was scored so highly, although there was some recognition that issues around this subject could still be improved (Table S.5).

Table S.5: Comments About HRIA Information Relevance

<b>HR CUSTOMERS</b> <i>Oh, yes, very relevant and detail on there and what isn't, I can make decision if it's not relevant to me. Satisfied. (HRC8; S47)</i>
<i>The bits that I go for are relevant to me. Others I don't go to because they are not relevant to me. No opinion. (HRC10; S53)</i>
<i>It's theoretical and idealist. Individual cases are not relevant. Dissatisfied. (HRC11; S17)</i>
<b>HR SUPPLIERS</b> <i>Whether they believe it's relevant or not - very satisfied. (HRS9; S53)</i>



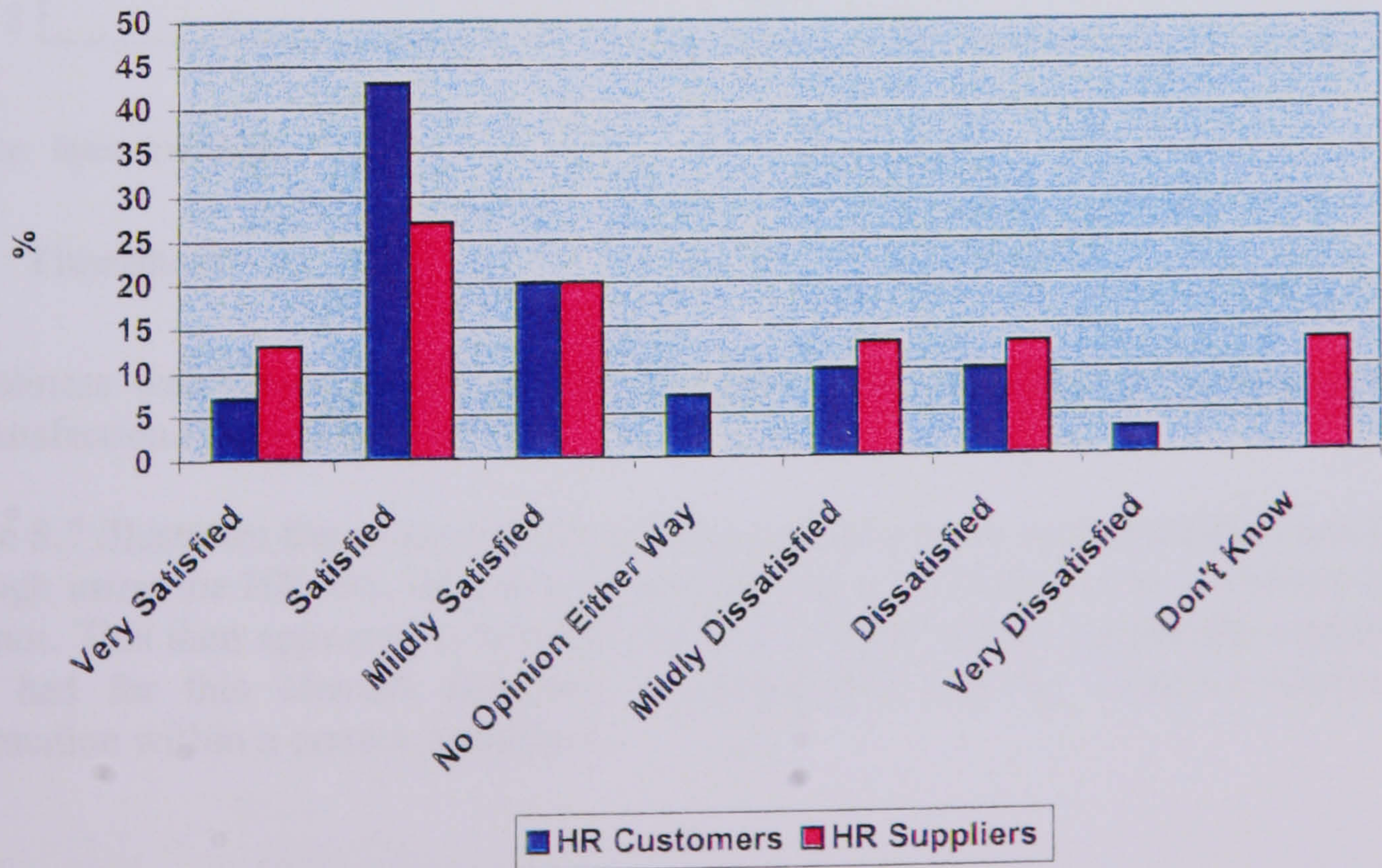
<p><i>Very similar to last point, generally they're satisfied. Issue arises when they have a particular issue and they can't get the level of detail they're looking for. Not an intelligent database, can't customise at the moment. (HRS20; S53)</i></p>
<p><i>Probably mildly dissatisfied. All these questions hanging over company and nothing on HR website to deal with it. Information is so tightly contained at the moment but difficult as to what could be done. Employee development portal, could be a case of HR saying not much training and increased uncertainty think more broadly about your development, use the portal to develop yourself. (HRS18; S53)</i></p>
<p><i>The problem with the Intranet the only relevant piece is the piece they're looking for. Depends how far they have to wade through, even finding a document then need to find a paragraph. Mildly dissatisfied. (HRS11; S25)</i></p>

Source: Interview Data

5.6 Completeness

Although HR customers scored an element of satisfaction in this category at 70%, 23% also rated this as falling within the dissatisfied grouping. HR suppliers had a more even spread of responses (Figure S.6).

Figure S.6: Satisfaction with HRIA Information Completeness



Source: Compiled by author



Some individual answers appeared to be coloured by their experience of using the site and not being able to complete or find the required solution (Table S.6).

Table S.6:           Comments About HRIA Information Completeness

<b>HR CUSTOMERS</b> <i>Yes, OK, I can usually find what I want. All there but I'd expect that given our business. Satisfied. (HRC2; S55)</i>
<i>I'm sure it's all there if I can find it. I'd like a section with bullet points. Mildly satisfied. (HRC19; S56)</i>
<i>Hard to say, would I know if it wasn't? No opinion. (HRC14; S55)</i>
<i>Mildly dissatisfied e.g. in terms and conditions occasionally if there's some ambiguity, they say have to ask line manager or see contract rather than listing the possibilities. (HRC20; S55)</i>
<i>I think the information's probably there but can't find it. Dissatisfied. (HRC11; S51)</i>
<b>HR SUPPLIERS</b> <i>I think info is all there but you just give up. Mildly satisfied. (HRS19; S53)</i>
<i>Poor, always a lot of half stories, cynical half-truths. Mildly dissatisfied. (HRS1; S52)</i>

Source: Interview Data

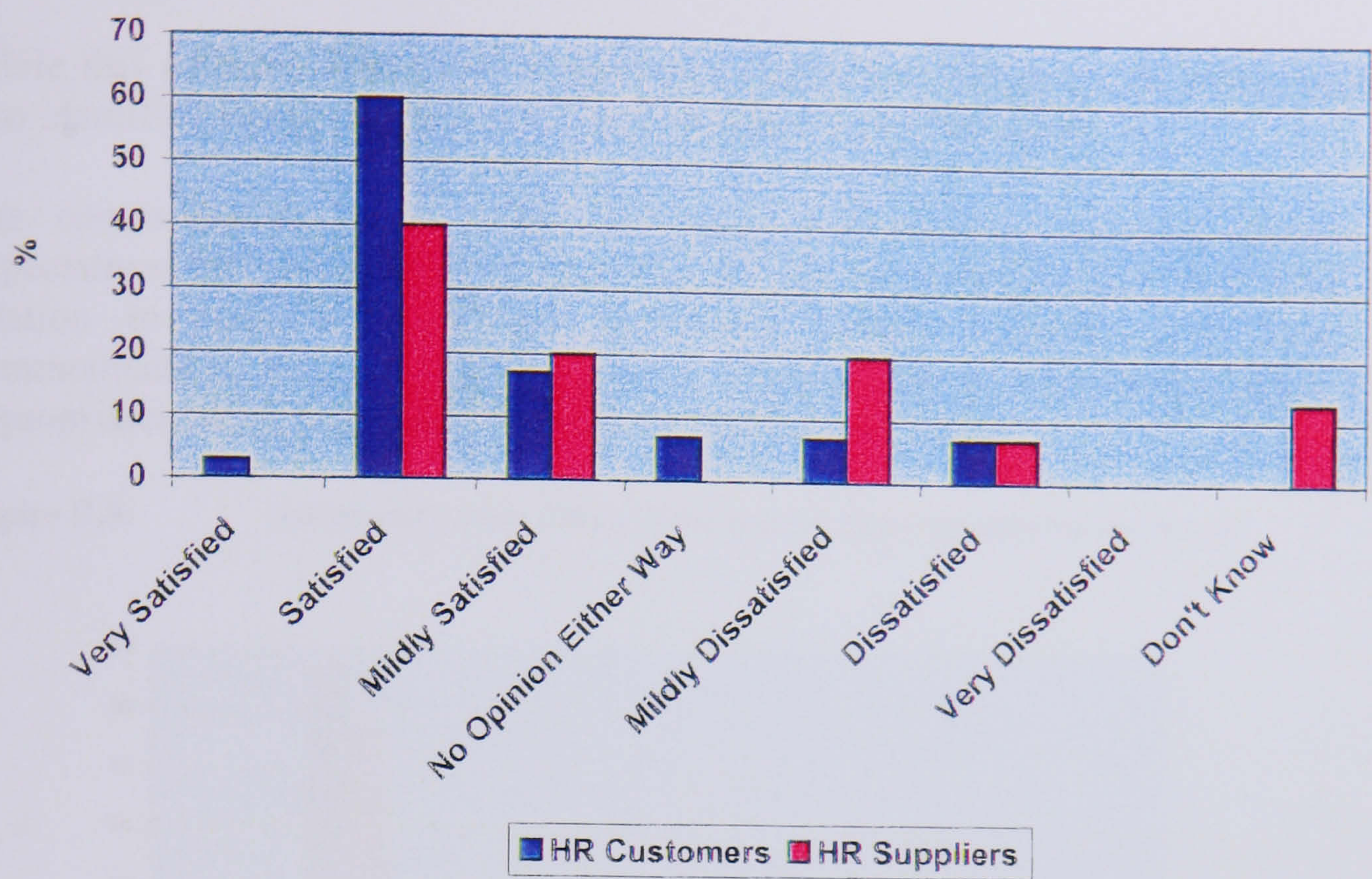
5.7 Timeliness

Timeliness was scored higher by HR customers with HR suppliers giving a higher dissatisfaction rating (Figure S.7).

Table S.7 illustrates the comments about HRIA timeliness. Some respondents had found through using the HR site, information available on a very timely basis, whereas others had not. This then appeared to become the basis of their ratings against the expectation they had for this element and how important this was for them to receive the information within a certain timeframe.



Figure S.7: Satisfaction with HRIA Information Timeliness



Source: Compiled by author

Table S.7: Comments About HRIA Information Timeliness

<b>HR CUSTOMERS</b> <i>Information always there in a timely manner e.g. New Grid, massive, always there and up to date and available, not just for me but all my people. (HRC3; S30)</i>
<i>Only relevant where I'm looking for something that day, stuff about DPR around DPR time, P11Ds for tax returns. Satisfied. (HRC26; S55)</i>
<i>I don't think it's timely, things take a long time to get on there. Mildly dissatisfied. (HRC19; S54)</i>
<i>Dissatisfied. Sometimes info is out very late. (HRC27; S54)</i>
<b>HR SUPPLIERS</b> <i>Mildly dissatisfied. Some are up to the minute, but other info has gathered dust. (HRS10; S54)</i>
<i>I don't think it's timely - things take a long time to get on there. Mildly dissatisfied. (HRS19; S54)</i>

Source: Interview Data

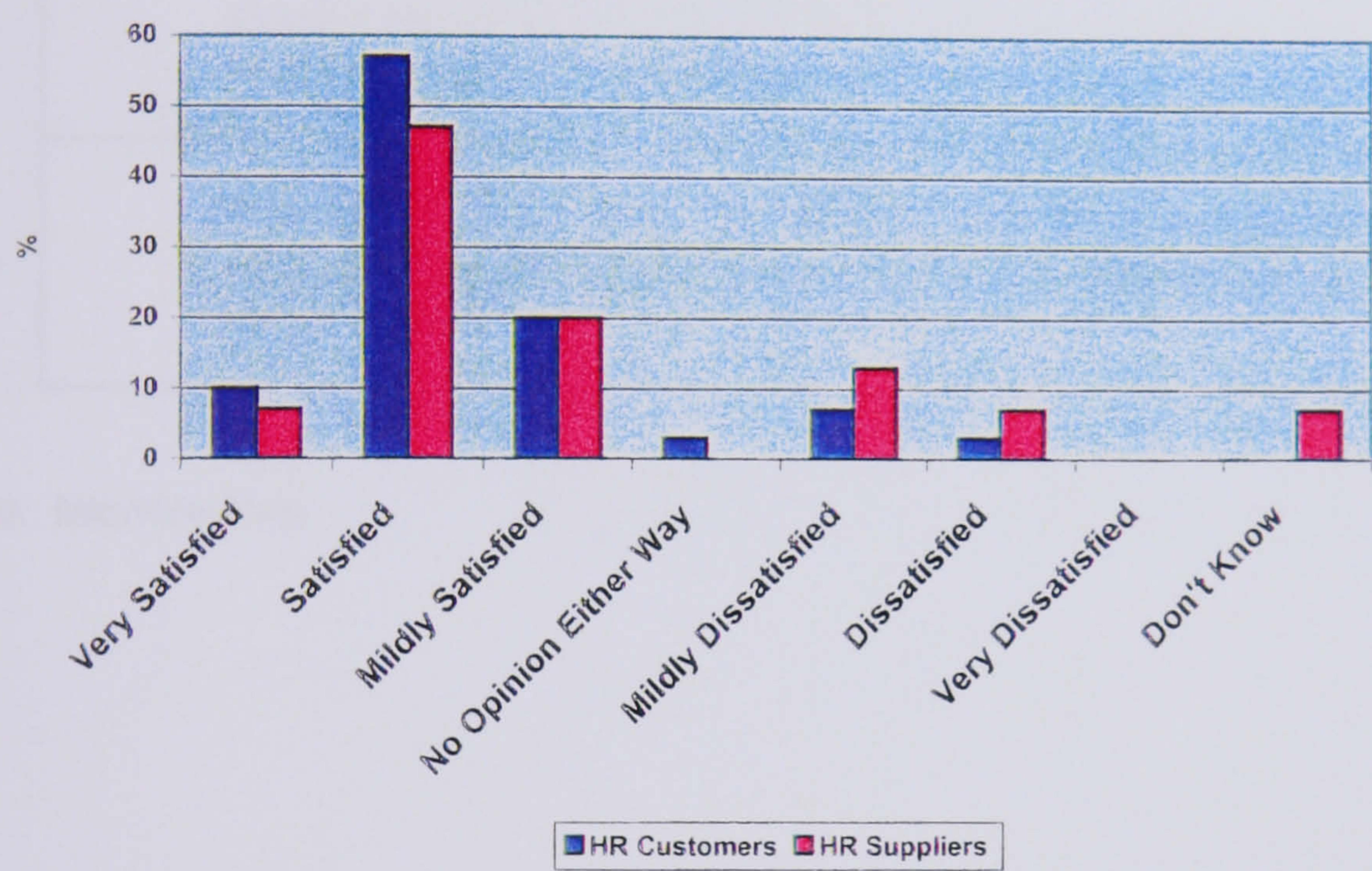


5.8 Appropriateness for Needs

While this category was rated as generally satisfactory (Figure S.8), many individuals also identified issues that they felt could be improved (Table S.8).

The comments shown in Table S.8 again demonstrated personal differences in expectations and satisfaction ratings. The BT and HR contexts were also mentioned in relation to both strategic and operational factors together with issues about communication. These issues appeared to impact different individual's perceptions of appropriateness on both the HR customer and supplier sides.

Figure R.8: Satisfaction with HRIA Information Appropriateness for Needs



Source: Compiled by author

Table S.8: Comments About HRIA Information Appropriateness for Needs

HR CUSTOMERS
<i>Satisfactory, on basis lot of chaff together with wheat. (HRC25; S57)</i>
<i>I think there's room for improvement. Mildly satisfied. There may be a FAQ but there should be one on the section I'm looking for. Generally I think there should be more fresh content, so more compelling needs for me to go on. Marketing issue, not being effectively sold to me. Must be more that I can go and see relevant to my needs. (HRC10; S56)</i>



<i>Mildly satisfied, exception of training - not fully appropriate, takes a while and doesn't do everything you want. (HRC26; S56)</i>
<b>HR SUPPLIERS</b> <i>In majority of cases yes, but others would argue – the guys in the vans, for example, who don't have access. In theory, yes - but in practice, no. Have to provide important documents through another route. (HRS24; S40)</i>
<i>From strategic point of view, probably dissatisfied... Confusing about direction of business - 1 year ago - different lines of business, aim to make every business independent and accountable. Now CEO seems to be talking about creating a BT identity, BT family rather than separate - still high degree of autonomy seems to be view that it's the right thing. Project underway at one point to dissolve the Group HR Intranet to the different businesses. Don't know status of it now. (HRS29; S56)</i>
<i>Dissatisfied. Goes back to customisation because it's not customised to their line of business it's not as appropriate as it should be. (HRS5; S55)</i>

Source: Interview Data



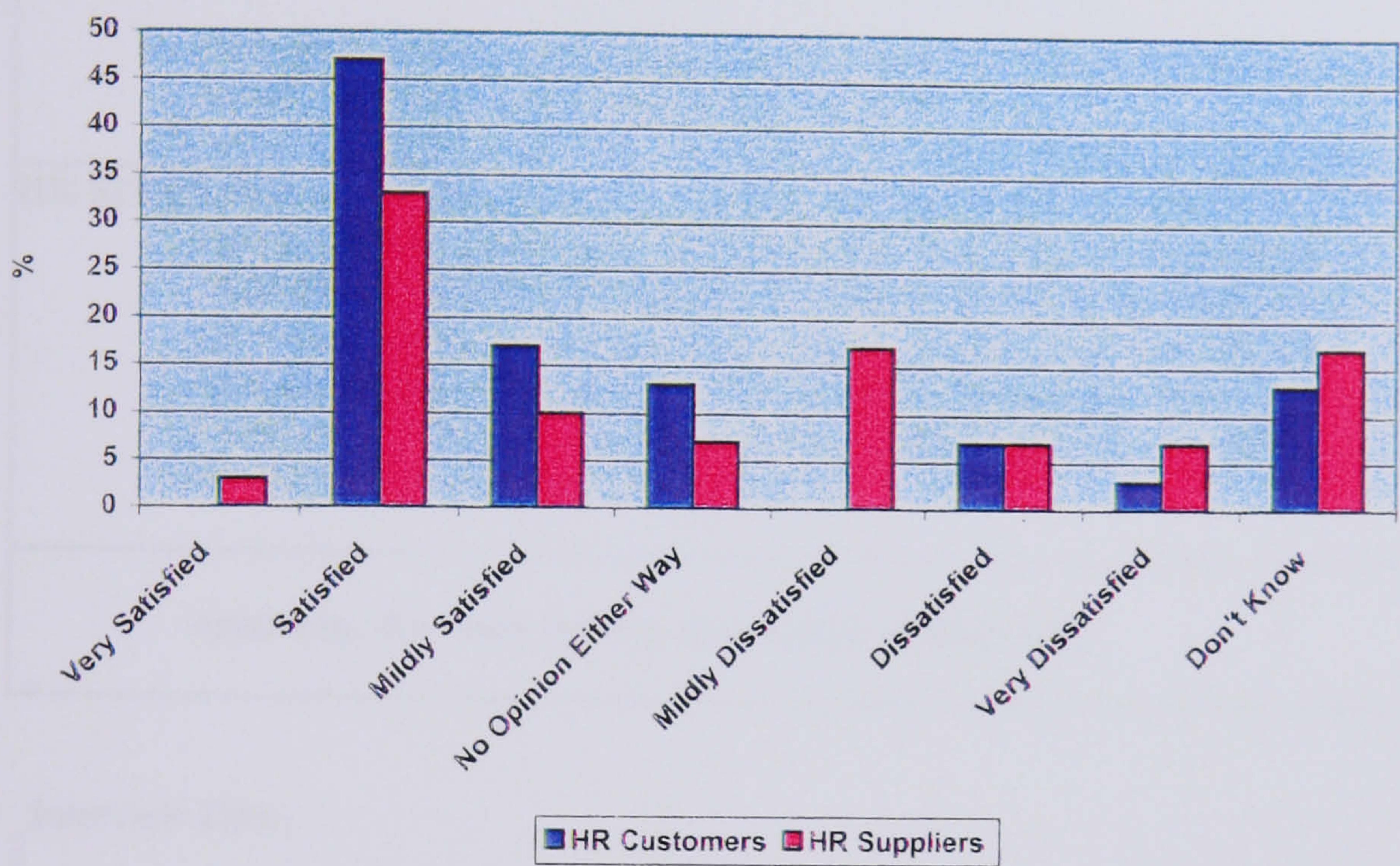
APPENDIX T: MAIN STUDY – SUPPLEMENTARY FINDINGS VI

6. CUSTOMER SATISFACTION WITH HRIA SUPPORT

6.1 Speed of Response

HR customers rated speed of response at over 60% satisfactory while HR suppliers rated managers as dissatisfied at over 30% (Figure T.1).

Figure T.1: Satisfaction with HRIA Support Speed of Response



Source: Compiled by author

For many customers, rather than use the intranet services, they identified that they would call the nearest person to hand to quickly solve their problem, thus bypassing the technical option. A number of problems found by both customers and suppliers were also highlighted including inconsistency of the quality of response (Table T.1).

Table T.1: Comments About HRIA Support Speed of Response

HR CUSTOMERS
High. Fast, but it may come back that there is no data and may not get the answer. (HRC29; S61)
No opinion, haven't used it. I phone someone. (HRC19; S62)



<i>Because of the culture, sometimes I don't raise my hand - so don't want to identify that you don't know how to use it. No opinion. (HRC27; S60)</i>
<i>I never have, my tendency is if I can't find what I'm looking for quickly I'll phone the rep. No opinion. (HRC10; S60)</i>
<i>To be honest, no, its goes into a black hole. I had a disciplinary case recently. The information was not on the Intranet, was told to email (on a blank HR address) the information I needed. Had to chase up 3 times as no response, took 4/5 days to get an answer for an urgent issue. Before could call who you knew and get it resolved in minutes. (HRC11; S16)</i>
<i>Very dissatisfied. I initially got back quickly to them but then they haven't got back to me at all. (HRC16; S61)</i>
<b>HR SUPPLIERS</b> <i>Varies hugely, sometimes very satisfied, others very dissatisfied. Depends how feedback channels are managed. We knew feedback channels ending up in disused mailboxes (people that had left) we just discarded that which hadn't been answered since last February. Need to recognise some opposition for signifying dissatisfaction with that. (HRS18; S58)</i>
<i>Appalling, they must be very dissatisfied. (HRS1; S58)</i>

Source: Interview Data

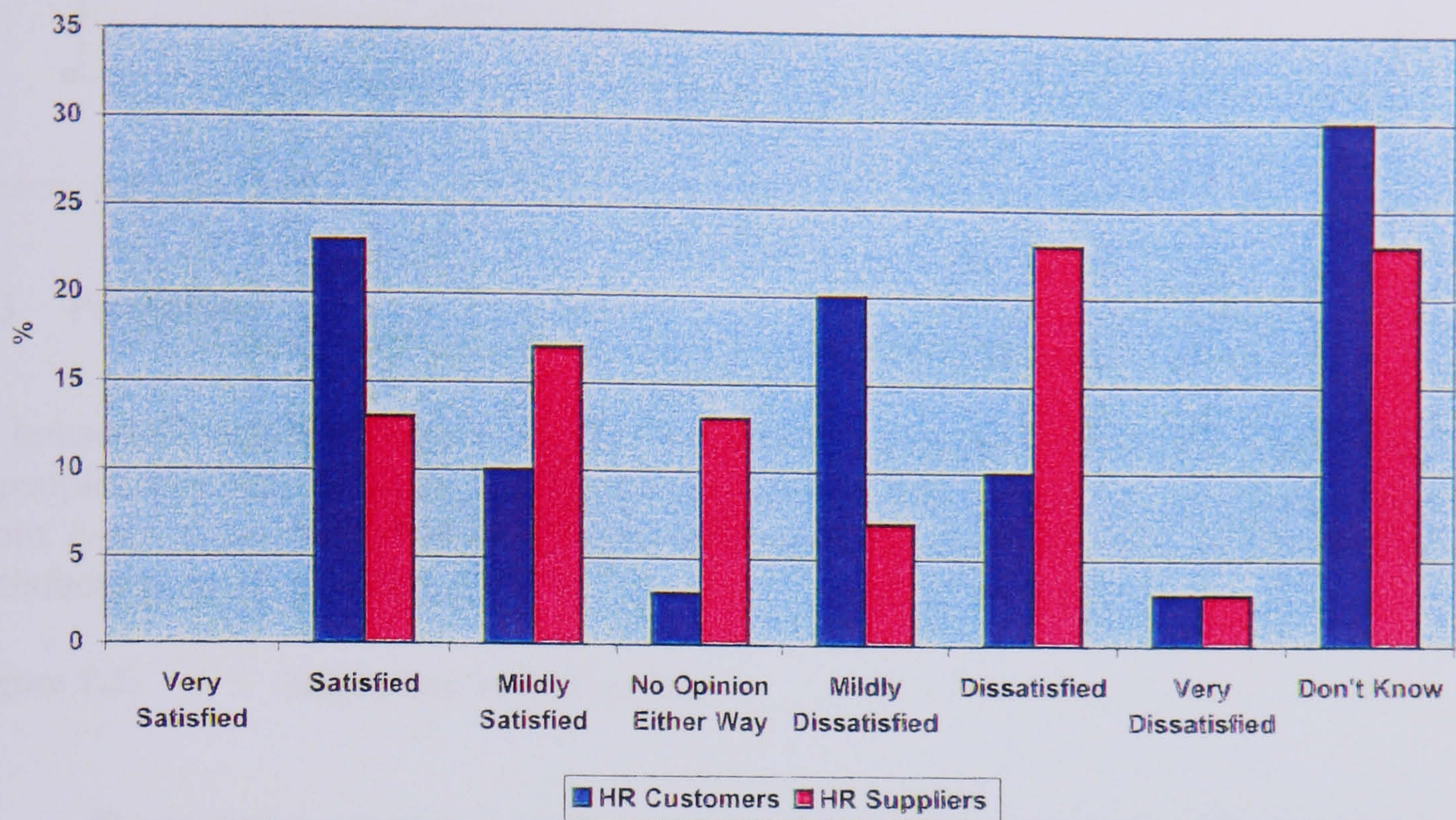
6.2 Online Help Facility

The help facility on the HR Intranet was the cause of much comment, mainly because of uncertainty as to where it could be found. This was a result of a lack of an overall standard for each divisional HR Intranet, so that while some sites have a help facility, others do not. The quality of those in existence was also not subject to any overall quality control.

This situation has thus resulted in 'don't know' being the highest category for customers and equal highest for suppliers with that of 'dissatisfied' (Figure T.2). The majority of respondents, who had not used the help facility on the HR Intranet, indicated that they would either use their HR Representative or someone in their department who had IT expertise (Table T.2).



Figure T.2: Satisfaction with HRIA Online Help Facility



Source: Compiled by author

Table T.2: Comments About HRIA Online Help Facility

HR CUSTOMERS
Mildly satisfied. Sometimes not always easy to find. (HRC4; S62)
Where does it exist? Haven't seen it. When I run a Webcast we have it. I rarely visit the HR website, I'm an experienced manager, if I need advice I'll ask an HR consultant. Life goes on, I manage my team. I've a higher level of HR expertise, so I'm a low user. (HRC25; S62)
I don't use them. I make a telephone call, no opinion. I have little faith in the system. (HRC29; S62)
Dissatisfied. I'm online and I can't see one right now. (HRC21; S63)
HR SUPPLIERS
There's no help facility there. I can see no easy way, there's none. Used to have in BT to overriding disclaimer 'please ring Peopleline'. We didn't get that many calls about dissatisfaction, so it's probably neutral. (HRS23; S60)
I didn't know there was one. Never used one. No opinion. (HRS25; S60)



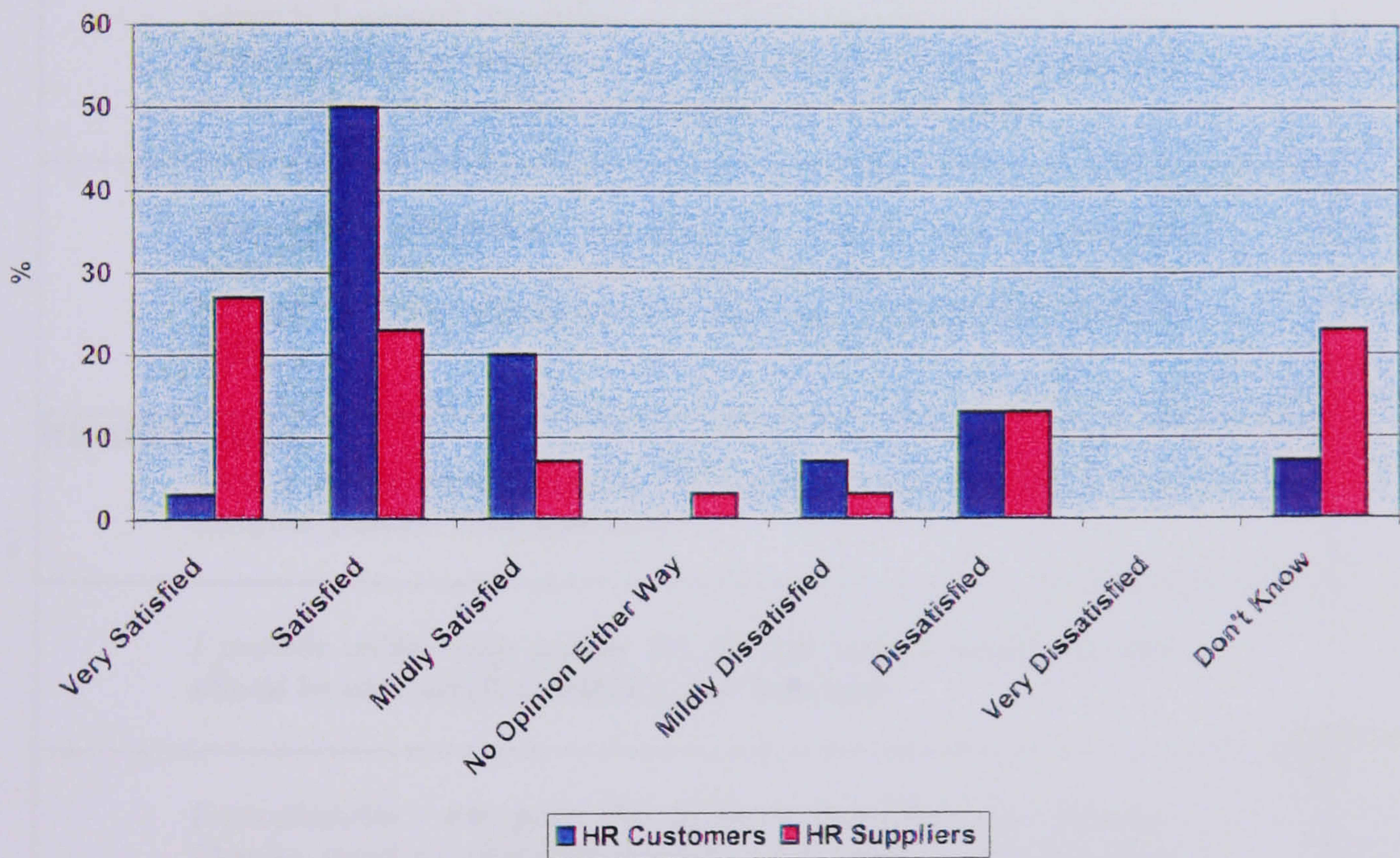
No, I hate that - very dissatisfied. It just never ever makes sense to me, it really totally irritates me, not done in a way that's simple to understand. (HRS7; S60)

Source: Interview Data

6.3 Peopleline

In house HR suppliers were markedly less satisfied with the Peopleline, than those from e-peopleserve who provide the Peopleline service (33% indicated very satisfied were from e-pl). Customers however, rated this service with over 70% in the one of the satisfactory categories (Figure T.3).

Figure T.3: Satisfaction with Peopleline



Source: Compiled by author

Respondent viewpoints appeared to depend on the experience gained from using the service and there were noticeable differences recorded between individuals (Table T.3).

Table T.3: Comments About Peopleline

**HR CUSTOMERS**  
They're good, very good actually. When I ring them first, anything I'll go to them. Very satisfied. (HRC18; S63)



<i>I ring them for training courses, they're good – satisfied. (HRC12; S63)</i>
<i>Some aren't bad - training's OK though not so far to say good but have answered some queries better than other help lines. Mildly satisfied. (HRC6; S64)</i>
<i>Peopleline-it's not particularly useful, a lot of queries are specific but they can only help when it's general. Not as good as a few years ago. More people based before. (HRC11; S64)</i>
<i>Mildly dissatisfied. Last time I rang, they weren't helpful, had a leaver - had issue, rang for information and they didn't know. Only time I've rung them, they didn't impress. (HRC26; S62)</i>
<i>I've never found it to be particularly helpful. Dissatisfied. Someone in my team was claiming something on expenses which others weren't. I phoned Peopleline to see if he should be able to claim. They said maybe, maybe not, at management discretion. Spoke to 3 or 4 people over a week to get that answer. (HRC28; S64)</i>
<i>Dissatisfied. Peopleline too slow to answer and a common complaint from many people, takes 40 minutes to try and get through. Systems themselves are slow and cumbersome. (HRC1; S58)</i>
<b>HR SUPPLIERS</b> <i>Seen a survey saying they're 95% satisfied, necessitating a very satisfied. (HRS17; S60 External)</i>
<i>I provide online help facility for the HR tools. I would say they should be very satisfied. (HRS23; S61 External)</i>
<i>E-peopleserve - not good link between Peopleline and Intranet. They're good at changing address, sick leave - but for more complex questions they don't know. People feel a bit lost on where to go, I've had calls from other parts of the business about this. At basic level satisfied but mildly dissatisfied with any bit of complexity. (HRS12; S61 Internal)</i>
<i>Dissatisfied. Ring them up, they sometimes don't like to own problem. It's a priority for you but it takes them 2 days to fix it. (HRS8; S62 Internal)</i>

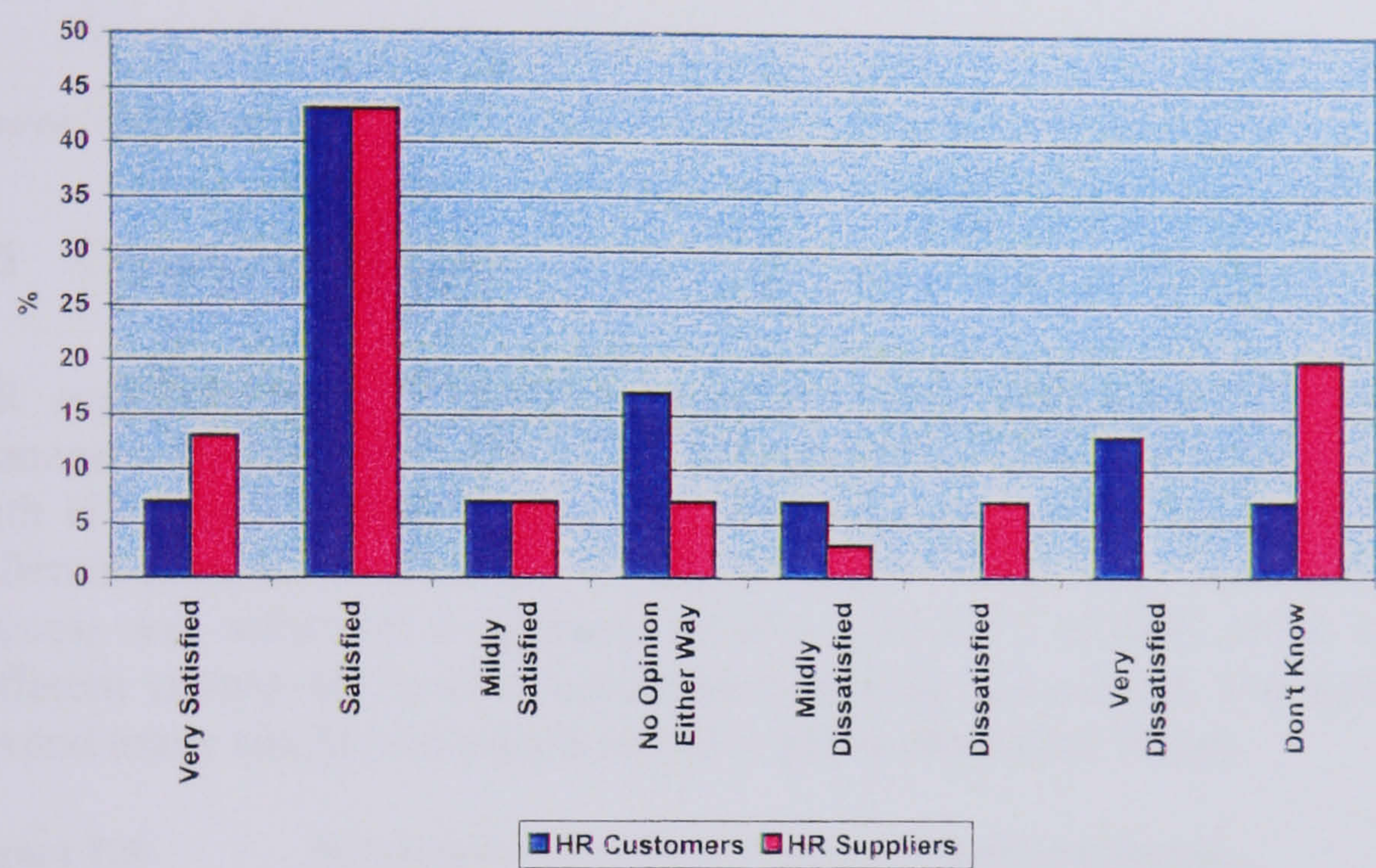
Source: Interview Data



6.4 Other Back Up – HR Representative

Satisfaction with using the managers’ HR Representative as a back up for the HR Intranet, was for the HR customers, rated at over 55%. However, this appeared to depend on the individual HR Rep and their availability and/or their willingness and ability to help managers. Not all managers have had contact with their HR Rep to enable them to give an opinion. HR gave themselves a slightly higher satisfaction rating on behalf of the managers, but also 20% identified that they didn’t know (Figure TS.4)

Figure T.4: Satisfaction with Other Back Up for HRIA - HR Representative



Source: Compiled by author

Table S.4: Comments About HRIA Support – HR Representatives

<b>HR CUSTOMERS</b>
<i>No opinion. Have to find out who that was first. (HRC13; S63)</i>
<i>Have used it but patchy, depending on who you get, sometimes excellent, sometimes not appropriate, no single answer. (HRC26; S63)</i>
<i>I've never known that person. Mildly dissatisfied. (HRC6; S65)</i>
<i>So funny, someone telling me chasing their Rep for 6 weeks, hopeless in light of that. Dissatisfied, but lovely when you access them - helpful individuals. (HRC2; S64)</i>



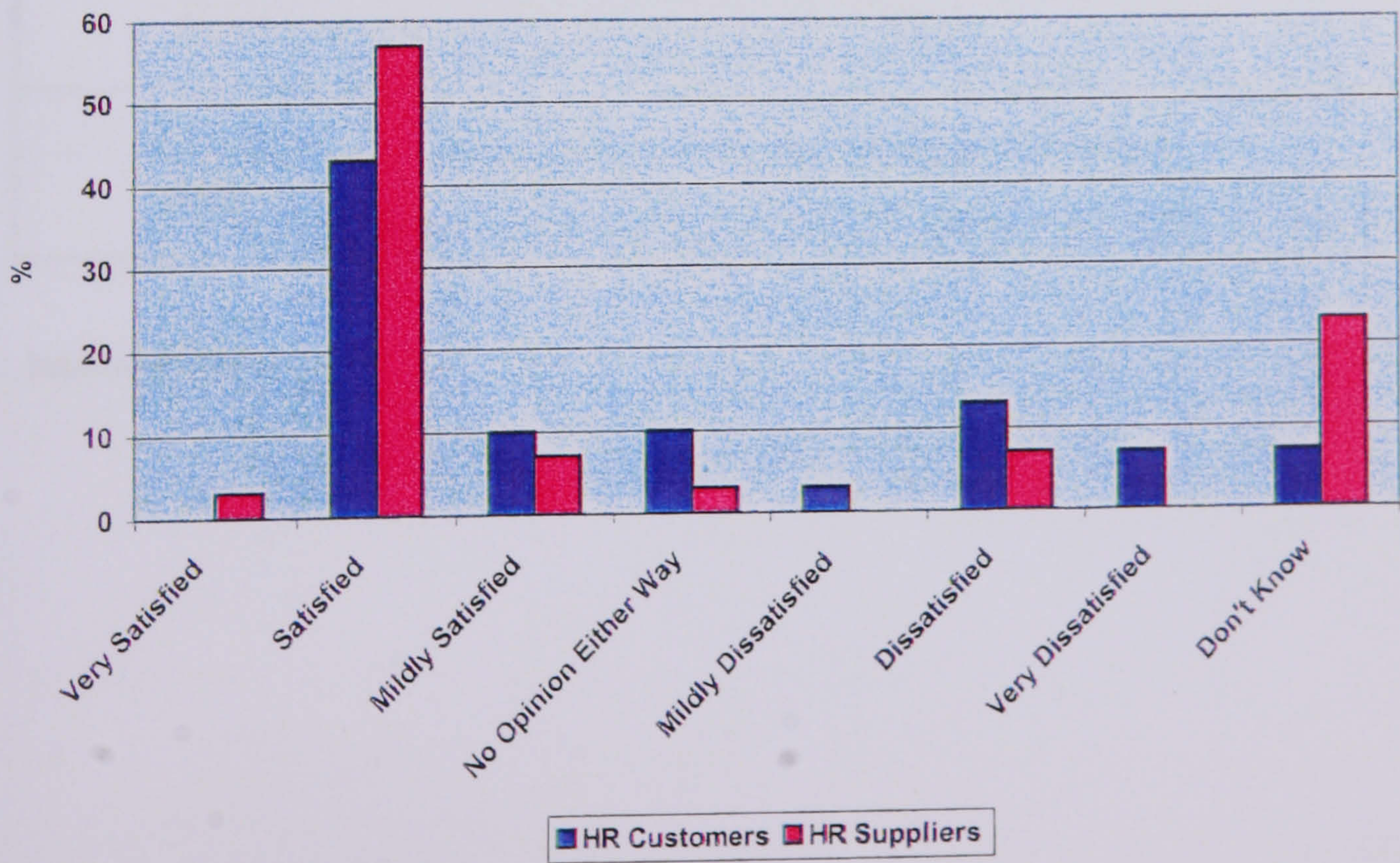
<b>HR SUPPLIERS</b> <i>They must be better than satisfactory because of how much they're used but not recommended as they're not the right source for the information, not the right one to speak on the subject. Very satisfied unfortunately but I don't think that it's a good thing. (HRS10; S62)</i>
<i>That'll vary immensely depending on what business unit. Overall, my perception is retained HR doing a fair job. Mildly satisfied. (HRS23; S62)</i>
<i>I think from line managers' point of view, if not on HR Intranet, they're probably at a loss of where to go. (HRS28; S63)</i>

Source: Interview Data

6.5 Completion Success

HR suppliers rated a higher satisfaction score with completion success than the managers themselves (Figure T.5). Managers also scored 23% in the dissatisfied scale with HR suppliers scoring only 7%. The comments from managers showed a slightly different perspective from the satisfaction score (Table T.5). Thus, although completion success was achieved, it appeared to take a while to actually arrive at that point. The different criteria for level of satisfaction between individuals was again noted here, as several made similar comments but have given dissimilar ratings.

Figure T.5: Satisfaction with HR/IA Support Completion Success



Source: Compiled by author



Table T.5:       Comments About Completion Success

<b>HR CUSTOMERS</b>
<i>Yes, eventually. Very satisfied. (HRC2; S65)</i>
<i>In the end I suppose, satisfied. (HRC27; S63)</i>
<i>Get there eventually. Mildly satisfied. (HRC22; S64)</i>
<i>No opinion. Haven't had HR Intranet issue - tend to go it alone because they aren't there. (HRC19; S66)</i>
<i>That happens sometimes and not others. Mildly dissatisfied. (HRC28; S66)</i>
<i>From HR's perspective, good but customers' perspective, dissatisfied. Yes, they respond but not successful in getting the information I need. (HRC29; S65)</i>
<b>HR SUPPLIERS</b>
<i>Satisfied. Actually only a small number of issues to do with non-completion but these make strong anecdotes and influence opinion. (HRS10; S63)</i>
<i>If it's a technical problem and you go through Computing Partner's Help Desk, stringent standards, 24 hours etc. that's effective. If it's an online issue and it's collated and it's sent to the Channel provider, not very good, so dissatisfied. (HRS15; S58)</i>
<i>I've only ever heard bad things on that one. Dissatisfied. (HRS28; S64)</i>

Source: Interview Data



APPENDIX U: SUPPLEMENTARY FINDINGS VII

7. Participants’ Suggestions for Improving HRIA Customer Satisfaction

Participants were asked to suggest ways in which HR could improve customer satisfaction with the HR Intranet. While there was some duplication in suggestions, the key factor was that each person had chosen what they required from their expectations of using an HR Intranet and what they needed to be able to perform their role more effectively, easily (or whatever criteria they had used).

Each respondent, both customers and suppliers, had suggestions for ways in which the HR Intranet could improve their satisfaction. These included a range of activities that were still wholly or partially being carried out manually such as online vacancies, which then require you to print of the form and post or fax it, or recording of sick absence.

*Perhaps only one thing - being able to report people sick or back from sick rather than telephone. Sick absence still done through telephone and manually on paper record - could be done online. There is an electronic version of sick levels sent to managers - it's input by HR from the phone calls but they don't have a copy of the paper version. What happens is this - the individual has to sign to actually report absent and report back. We could do that on the web, can use e-mail too for an audit trail. (HRC3; S57)*

Other suggestions included items that participants would like to see online such as external information about life, pay and conditions outside of BT as well as such items as procedure flow charts for new managers or to update new processes. It was recognised that procedures needed to be changed ‘to embrace the technology’ (HRS24; S50). New system’s testing prior to implementation was also identified as important (Table U.1).

Table U.1: Suggestions to Improve HRIA Customer Satisfaction

<b>HR CUSTOMERS</b> <i>Haven't thought about them. Maybe a number of flow charts for generic aspects e.g. late for work etc. points to you at outset, draw into different processes, particularly for newly promoted 1st line managers. (HRC5; S60)</i>
<i>What would be important to me - a little more information about life outside BT, useful to have HR information on other companies...where they are recruiting, closing down, pay and benefits that they are offering....information like that would be most useful. (HRC15; S52)</i>
<i>By gauging users' perceptions and asking for suggestions on how it might be improved. No one has ever been asked what should be enhanced and what services should be improved. (HRC1; S65)</i>



<b>HR SUPPLIERS</b> <i>I think it's got to work and be reliable. More systems testing and involvement before launch. Failure with DPR will mean more cynicism for the next project. Have to make sure it's fit for purpose and making it more easily accessible so they can pull down information for their own units directly. (HRS22; S60)</i>
---

Source: Interview Data

A number of respondents focused on the contact between HR suppliers and customers, both as a means of finding out what managers actually wanted from the Intranet as well as the human/machine balance of interface between the two. What were the expectations and needs of both parties and what is possible given financial constraints and technological capability (Table U.2). Internal HR communications was also highlighted as several HR suppliers indicated they had not been aware of the HR Intranet survey.

Table U.2:        Suggestions to Improve HRIA Satisfaction – HR/Manager Interaction

<b>HR CUSTOMERS</b> <i>Use the Intranet for certain info. but tend not to rely on it, but rather personal contact with HR rep. because I believe they bring the rules into the real situations. Intranet a bit bland and still need judgement to make decisions. Don't need to read what I already know e.g. the rules, but value of the personal contact is where individual cases need specific advice. (HRC5; S21)</i>
<b>HR SUPPLIERS</b> <i>I think it goes back to making it right for the user and the access. Got to be viewed from the user's perspective rather than what we want them to have. It's about the way you present it. (HRS11; S72)</i>
<i>They could do survey to find out what people want. I didn't see HR Intranet survey, wasn't notified about it. (HRS26; S20)</i>

Source: Interview Data

A number of the suggestions also focused on internal marketing and communication about the Intranet services offered by HR and associated information to keep managers conversant with HR thinking and planned actions (Table U.3).

Table U.3:        Suggestions to Improve HRIA Satisfaction – Internal Marketing and Communication

<b>HR CUSTOMERS</b> <i>I do think they should be making contact more, let people know what's available, what rules have changed, even a summary. I know they're on the web but need to let people know what's changed e.g. leave policy. (HRC19; S21)</i>
--



<i>I would like to see something on the website, typical Qs and As, instead of trying to search through site, need to know the right questions on search facility. (HRC9; S29)</i>
<i>We'd benefit from HR induction around Intranet. (HRC22; S28)</i>
<i>I think interactivity to create personal profiles for example would be enhanced. Increased range of services, training and development for example, linked to APR, but it's not done. Create for me - here's your portal - here's your information. I can now decide BT Internal Newsletter sent to home or work address, but doesn't relate to my MBA and would you be interested in strategy modules? I use other sites where changes occurred and notified, if an external supplier can do it - there's a lack of understanding in HR of what technology can do - only changed paper to online. (HRC29; S72)</i>
<i>Customisation. Fresh content. More promotional activity on what's available on the Intranet. (HRC10; S71)</i>
<i>Case studies - wonderful things that HR have done to change people. If they sent it out like a calendar, HR are here to help you, a few quotes and links to case studies. (HRC18; S79)</i>
<b>HR SUPPLIERS</b> <i>I think the single biggest thing to radically change is how we store and present the data. To move away from A4 text based paper mode to an interactive medium e.g. click on poor attendance and that's what you get, not a 7 page document as now. (HRS20; S70)</i>
<i>By making it more interactive and intuitive. Delivering management info into desktop and reminding managers that the web solution is still an HR provision. (HRS23; S72)</i>
<i>Greater integration of on-line applications and simplification of policies enabling a faster simpler and more robust self-service environment. (HRS10; S72)</i>
<i>I think it's a difficult one. The key is that people need to be kept up to date and relevant etc. I've got to have a need to go onto that site and as long as I have a need, I'll go on using it. Got to make it 'job critical'. (HRS15; S66)</i>

Source: Interview Data



## APPENDIX V: RESEARCH DISSEMINATION

### Manuscripts under Review

Alleyne, C., Kakabadse, A. and Kakabadse, N., (2002), Using the HR Intranet: An Analysis of Its Impact on Managerial Satisfaction with the HR Function, *Journal of End User Computing* (submitted May).

### Conferences

Alleyne, C., Kakabadse, A. and Kakabadse, N., (2001), The Impact of the Use of HR Internet Applications on Managers' Satisfaction with the HR Function, *The 11th Annual BIT Conference on Constructing IS Futures*, Manchester Metropolitan University Business School, 30-31 October.

Alleyne, C., Kakabadse, A. and Korac-Kakabadse, N. (2002), Using the HR Intranet: An Analysis of Its Impact on Managerial Satisfaction with the HR Function, *The 7th Annual (HRMOB) Conference Human Resource Management and Organisational Management/Behaviour*; Association of Management (AoM/IAoM), Quebec City, Canada, July 31-August 3.

### Work in Progress

Alleyne, C., and Korac-Kakabadse, N., (2002) Information Technology and HRM: A Review of Some Literature. Intended for: *Journal of Management Development*.

Alleyne, C., Kakabadse, A. and Kakabadse, N., (2002) The Impact of the Use of HR Internet Applications on Managers' Satisfaction with the HR Function. Intended for: *Human Resource Management Journal*.

Alleyne, C., Kakabadse, A. and Kakabadse, N., (2002) Using an Intranet: An Analysis of Internal Customer Satisfaction with the Intranet Service Provider. Intended for: *MIS Quarterly*.

Alleyne, C., Kakabadse, A. and Kakabadse, N., (2002) A Role Theory Perspective on an Internal Tripartite Relationship: the HR Function, Its Intranet and the Managers Who Use It. Intended for: *European Management Journal*.

Alleyne, C., Kakabadse, A. and Kakabadse, N., (2002) The Impact of the Use of an Intranet on Internal Customers' Satisfaction with the Intranet Service Provider. Intended for: *Journal of Marketing*